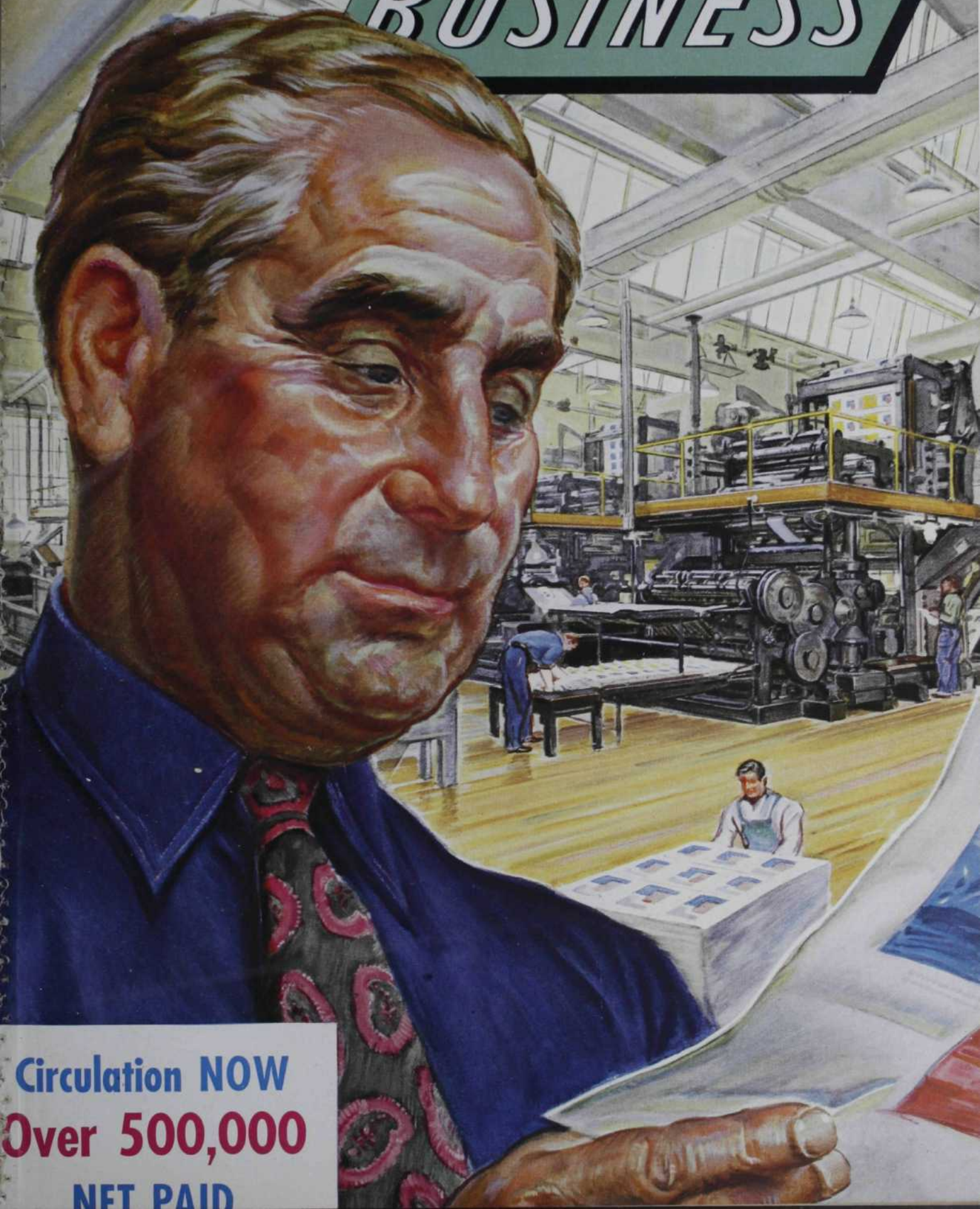


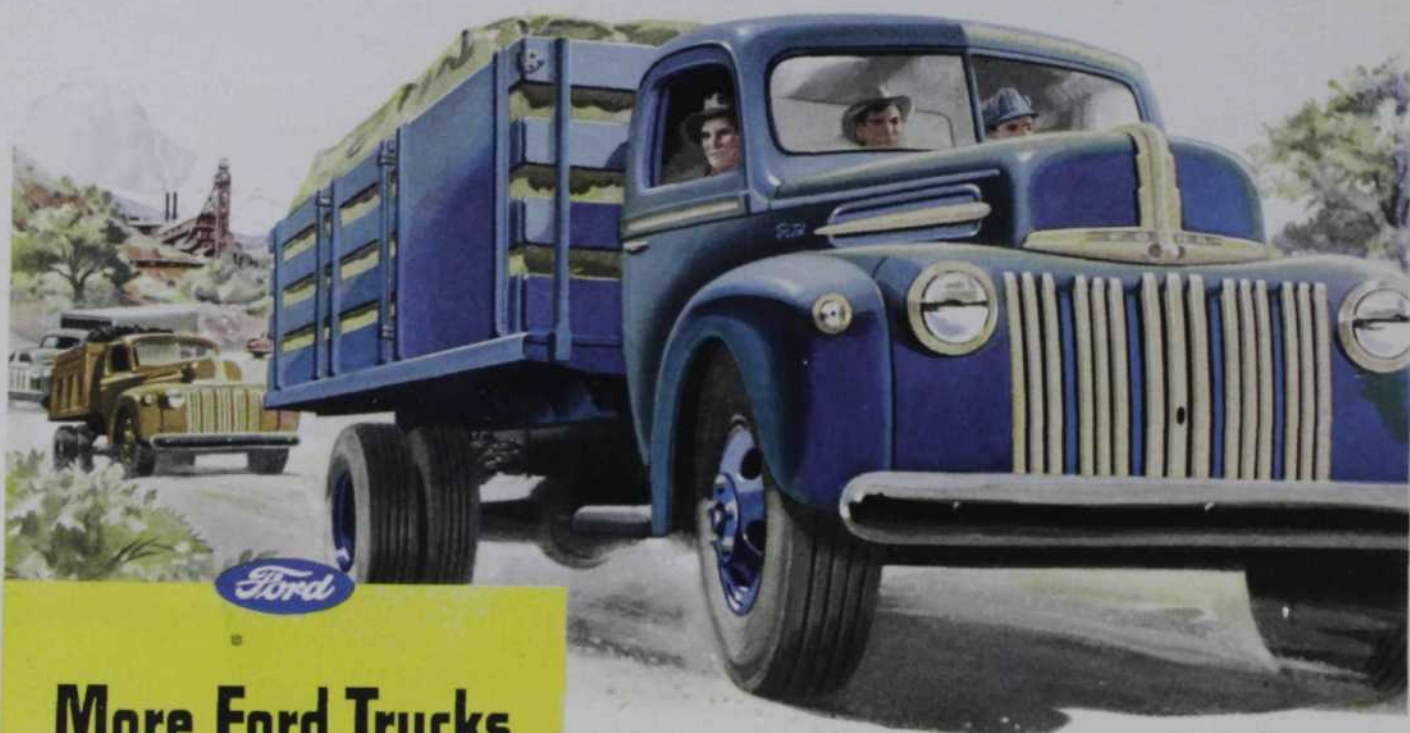
August *NATION'S* 1946

BUSINESS




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FORD TRUCKS LAST LONGER!



**More Ford Trucks
in use today than
any other make...**

**7 out of 11
Ford Trucks built
since 1928 are
still in use!**

 Registrations show it . . . operators know it . . . *Ford Trucks* last longer! Latest official figures show that 78% of all Ford V-8 Trucks ever sold are still in use! The records prove the average age of *all* Ford Trucks now in use is almost 9 years! Only the costliest of trucks equal this Ford durability record. And the new Ford Trucks for 1946 are tougher than ever. Thirty-two engineering advancements are designed to give them even longer life . . .

even better performance . . . even greater economy! What's more, you have your choice of more than 100 different body and chassis combinations, built to handle over 95% of all hauling jobs. See the many superior features of the new Ford Trucks for yourself. Let your Ford Dealer show you how and why Ford Trucks lead in endurance. Examine these great new trucks and you'll be convinced that Ford is the best truck investment for your job.

ONLY FORD TRUCKS GIVE YOU ALL THESE LONG-LIFE FEATURES

Two great engines—the 100 H.P. V-8 and the 90 H.P. Six—graphite-impregnated cast alloy steel crankshafts—unit-assembled, precision-set valves with shot-blasted, rust-proofed valve springs—4-pinion differentials—sealed-dry distributors—semi-centrifugal clutches—cushion-mounted, tubular-core radiators—welded all-steel cabs—weather-resisting resin enamel finish.

MORE THAN 100 CHASSIS AND BODY MODELS FIT OVER 95% OF ALL HAULING JOBS

A development of
B.F. Goodrich
FIRST IN RUBBER



The scrap pile showed them how to save \$24,000

A typical example of B.F. Goodrich improvement in tires

WORN-OUT and blown-out truck tires wind up in a scrap pile to be sold for 1c a pound.

When a B.F. Goodrich fleet tire maintenance man visits a truck operator he makes a bee-line for the scrap pile, gets savings of thousands of dollars out of tires worth pennies.

That's because few truck operators get all of the mileage out of tires that is built into them. Underinflation or overinflation shortens tire life. Grabbing brakes cause flat spots. High speeds may result in blow-outs of brand new tires. Worn wheel bearings cause uneven tread wear.

Through a careful examination of the scrap pile, the B.F. Goodrich man can spot causes of tire failure, get tips on how to correct the condition. Under the B.F. Goodrich fleet tires maintenance program, factory-trained men take over the complete supervision of tire maintenance for fleet operators. These men check everything that might affect tire life.

Results are spectacular. A motor freight operator reports reduction in tire costs of \$2000 a month, \$24,000 a year. Another says, "In six months we figured one-third increase in our tire mileage." Another, with 67 units

in operation, entirely eliminated road delays.

This money-saving program is a typical example of the result of research which goes on constantly at B.F. Goodrich. Research which saves you money on every tire you buy.

If you own a fleet and would like to have more information about the fleet tire maintenance program, write The B.F. Goodrich Company, Akron, Ohio.

Truck Tires **BY**
B.F. Goodrich



MAYBE YOU NEED A PIANO LESSON

When you look inside a piano you see a harp-shaped metal plate on which the strings are strung. Even in a spinet it ordinarily weighs well over 100 pounds.

"Too heavy!" thought Winter & Company, who make pianos. (If you've ever moved a piano, you'll agree.) "Let's have Alcoa make an *aluminum* plate."

So, several years ago, Winter & Company's technicians put their heads together with Alcoa engineers to develop an aluminum plate. First, a strong aluminum alloy had to be found because the strings put an 18-ton pull on the plate. A special alloy was produced, *but . . .*

As the strings don't all pull in the same direction or with the same force, in time the plate would creep. The various stresses distorted it enough to change the tension in the strings and they got out of tune.

Alcoa engineers found a way to tell exactly where and how great the strains were. Then they figured out how to reshape or add or take out metal to balance all the stresses. And, finally, they utilized a special heat-treating process, which Alcoa had developed during the war, to stabilize the plate.

That's how the first successful aluminum piano plate was developed. It weighs only 45 pounds instead of 125 . . . and tone quality was substantially enhanced.

* * * *

This piano offers *two* lessons to makers of metal products: Take a look at aluminum to get strength with lightness. Take a look at aluminum with *Alcoa* engineers, who know their way around and may show you the way to a better product.

Sales offices in 53 cities. ALUMINUM COMPANY OF AMERICA, 2125 Gulf Bldg., Pittsburgh 19, Pa.

ALCOA

FIRST IN ALUMINUM





Thrilling moment in the 20-year-old film DON JUAN, featuring John Barrymore. This was the first full-length sound movie.

The modern movie is 20 years old on August 6

Twenty years ago the movies added sound to sight. DON JUAN was the film. A year later came THE JAZZ SINGER, the first feature to use lip synchronization.

Both films were produced and presented by Warner Brothers. The equipment which made them possible was developed and made by Bell Telephone Laboratories and Western Electric Company. These two units of the Bell System have continued to apply their skills to improve sound reproduc-

tion. They have contributed greatly to the high quality sound heard in the movies of today.

Bell scientists were able to solve the talking picture problem because of their continuous study of every means to improve communication. The "talkies" came directly out of telephone research.

The modern movie has grown so that it speaks in peace and war around the world. It has become one of the great agencies affecting the heart and mind of man.



BELL TELEPHONE SYSTEM

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a sharp pencil
to meet today's
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Nation's



Business

PUBLISHED BY

CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 34

AUGUST, 1946

NO. 8

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HERCULES

CHEMICAL MATERIALS
FOR INDUSTRY

NB Notebook

First peace year

THE FIRST peace year following the surrender of Japan on August 14, 1945, certainly has failed to bring all those postwar blessings and comforts that were predicted so widely and freely. Divided counsels on inflation or deflation, labor stoppages, erratic price regulation and relief needs upset the careful planning of business for the reconversion period.

Notwithstanding these handicaps, however, the record has not been quite as poor as some would believe. True enough, only 639,000 automobiles were produced the first six months of this year as against the 2,319,000 scheduled; household appliance output is similarly affected. But the all-over production index of the Federal Reserve passed its 1941 average of 162 in March. Before the year is out business forecasters believe that it will exceed its level of 188 made in the last month of the war.

Government service

A TAX FREE salary might well be the dream of any good citizen but Eugene Meyer, head of the World Bank, doesn't exactly chortle over his. In conversation recently he explained that it bumps the taxes on his other income. He would have preferred to take the biggest bank job in the world at no salary at all except that such a precedent might keep a worthy successor from accepting the post.

If the Government could arrange to have tax-free salaries considered apart from other income perhaps it would have less trouble attracting high caliber executives from the ranks of business management. The need for such men has grown so acute that William L. Batt, president of SKF Industries and former War Production Board vice chairman, has proposed that industry advance the retirement of

key executives by five or ten years to enable them to accept top government jobs.

Sounder relations between business and government should result, he pointed out.

Owners of savings

AS WARTIME savings kept climbing by billions to their unprecedented total, industry licked its chops in anticipation of the promised feast of sales. There was not only a huge pent-up demand but a huge pent-up wherewithal to foot the bill.

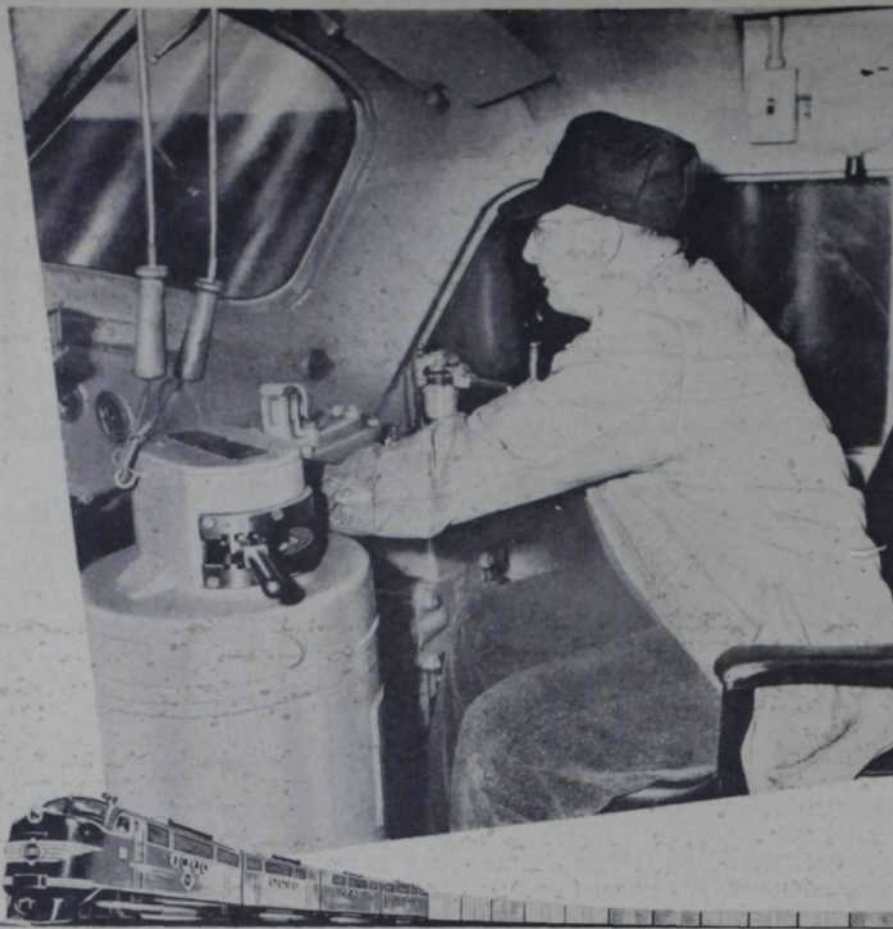
But some questions were raised about the distribution of these savings because it was recognized that if millions of this and millions of that are to be sold, the public at large and not just a small percentage of the citizenry must have the extra money.

The CIO maintained that the rank and file were not much ahead of the game. The Institute of Life Insurance argued to the contrary, estimating that 45 per cent of the savings were owned by those with incomes of less than \$5,000 a year.

Great interest, therefore, is taken in a survey made by the Bureau of Agricultural Economics of the U. S. Department of Agriculture at the request of the Federal Reserve governors. This turned up some startling information upon the ownership of liquid assets exclusive of cash. Personal holdings of bank deposits and government securities by family "pools" ran this way:

The top ten per cent owned 60 per cent, the next 20 per cent had 27 per cent of such assets and the bottom 40 per cent had only one per cent.

These findings mean that the expression, "people have a lot of money to spend," must be qualified by the question, "what people?" They also mean that mass markets



He makes 5400 horses work as a smooth team

OPERATING a 5400 horsepower diesel locomotive is a highly skilled job, and a mighty important one to you. It is Erie's modern and efficient locomotives under smooth handling which speed your products to their destination.

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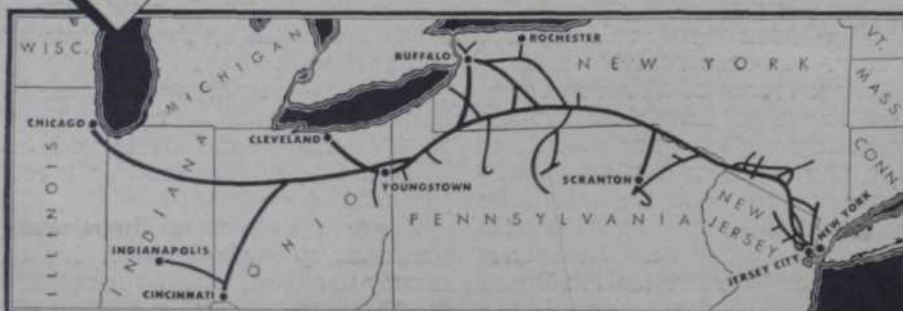
is through the Erie Area, specify "via Erie".

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Erie Railroad

SERVING THE HEART OF INDUSTRIAL AMERICA



are not quite so well guaranteed as it was imagined.

Place for Chamber

IN ITS QUARTERLY Index of Public Attitudes which registers opinions upon questions of outstanding importance, The Psychological Corporation asked its poll group of 5,000 in personal interviews, "Which of the following organizations do you think well of and which not so well of?" The answers in percentages:

	Well	Not so Well	Doubtful
American Legion	77	15	8
U. S. Chamber	65	11	24
AFL	50	31	19
NAM	37	17	46
CIO	26	56	18

The "doubtful" included those who had no definite attitude and others who did not know the organization.

Another question asked for the Index was one dealing with types of candidates preferred for Congress. The business executives won hands down with 49.2 per cent. The other percentages were: labor union leader 13.9; politician 12.8; lawyer 11; and college professor 5.2. Even among union members the business executive came out on top with 34 per cent as against 28 per cent for the union leader.

Directors from industry

ONE OF THE reasons contributing to the debacle of 1929 was said to be the preponderance of financially minded men in top management. According to this theory, mergers rather than markets, and stock quotations rather than sales figures, absorbed more attention than they should and led to the speculative high jinks which otherwise might have been avoided.

It is therefore interesting to have the findings of the National Industrial Conference Board in a recent survey which showed that industrial executives now outnumber bankers as corporation executives. Non-employee directors with industrial backgrounds constitute more than 30 per cent of the total while bankers, investment brokers and capitalists make up about 25 per cent of all outside directors. As recently as 1938 industrial leaders accounted for only 20 per cent of outside directors and financial men were the predominant group.

Other facts concerning directors were also brought out in the study which found, for instance, that one out of five of the non-financial companies last year paid their out-

side directors annual salaries or a combination of salary and attendance fee. This showed a definite departure from prewar practice.

Management training

BEFORE THE END of the year the General Electric Company will have graduated more than 3,000 foremen from its "Better Business Management" school, started in the spring of 1943 for key management men when it was found, according to R. C. Muir, vice president and general manager of the Apparatus Department, that there was no course available to meet the needs of management training. The company is thus developing its own top management talent.

Four rules are laid down by Mr. Muir for conducting such classes: 1. the classes should be confined to 12 persons and represent a cross section of management—manufacturing, engineering, sales, accounting and representatives from research, patent law or corporate affairs; 2. each student must act as chairman of one class period; 3. class time should be given to problem discussions with lectures read outside of class; 4. the class should be largely self-instructed with one or two counsellors from a previous group.

Success of the first management class along these lines led to extension of the idea, with some recasting, to the foremen level. For the younger group of engineers and salesmen a third course has been devised.

Last straw

A STORY entitled "Will You Go by Sea or Air?" in NATION'S BUSINESS for May contained this sentence:

"Without the Queen Mary, the Queen Elizabeth, the Dutch Nieuw Amsterdam and the French Ile de France, the United Nations could not have won the war."

This has caused H. J. Harding, national secretary of the Propeller Club of the United States to comment:

"Maybe our Allies—shortly to be our peacetime competitors—are more clever than we are in publicity. As soon as censorship was lifted, the average American read so much about the 'Queens' (particularly in bringing the boys home) that he began to wonder what in Heaven's name our own ships had done, and were doing! And then to read . . . that the war couldn't have been won without four—count 'em, four—foreign flag



QUIZ: Why do water works officials buy pipe that serves for centuries, when they know that great changes can occur in any community in even a generation?

ANSWER: Because the qualities that enable cast iron pipe to survive the changes of centuries are also the qualities that mean economy in the cost and operation of a water distribution system. First—lower annual maintenance cost of the mains. Then—and soon—lowest cost per service year. And so, lower water bills or lower taxes are made possible for *present* as well as future generations. Which is why cast iron pipe is so often referred to as Public Tax Saver Number One. Cast Iron Pipe Research Association, T. F. Wolfe, Engineer, 122 S. Michigan Avenue, Chicago 3, Illinois.

CAST IRON PIPE

SERVES  FOR CENTURIES

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to read...**

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YOUR BUSINESS**

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Wholesaler should send
for this new book NOW**

Here is a new book that will open your eyes to new opportunities for progress and profit . . . through a method of financing that gives you a more liberal, more flexible and more dependable supply of cash at low cost . . . for working capital or any other sound business use.

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2. Case histories of the growth and profits which manufacturers and wholesalers have realized through our plan.
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Baltimore, New York, Chicago, Los Angeles, San Francisco, Portland, Ore.

4. How our plan frees you from interference with your management and from worries about renewals, calls and periodic clean-ups of your loans.

5. Why executives with problems similar to yours have used over One Billion Dollars under our plan in the past five years.

6. Why the number of new users of our plan thus far in 1946 is more than double the number for the like period of 1945.

You have much to gain . . . nothing to lose . . . by reading "A Better Way to Finance Your Business." No cost . . . no obligation. Just write today to the nearest Commercial Credit Company office listed below . . . and ask for a copy of booklet "C."

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ships. . . . Well that, to me, was the last straw!

"War Shipping Administration recently issued a book entitled 'The U. S. Merchant Marine at War,' in which it is stated that 7,129,907 Army personnel and 141,537 civilians were moved overseas between December 7, 1941, and November 30, 1945.

"Admiral Land, who should know, has stated on several occasions that American ships transported 90 per cent of that total, which would leave 10 per cent, or 727,144 transported in foreign vessels which included several others besides the four mentioned in your article.

"Or am I wrong?"

No, sir. We were. We stand corrected.

Tool owners

IN HIS REPORT on 1945 to the 13,000 employees of the Johns-Manville Corporation, Lewis H. Brown, president, uses the question and answer form to supply pertinent facts. "How many owners of the company are there?" he queries and replies. "There are about 9,500 owners of common and preferred stock. These are the tool owners of the company. By investing their savings in J-M they make possible jobs at J-M."

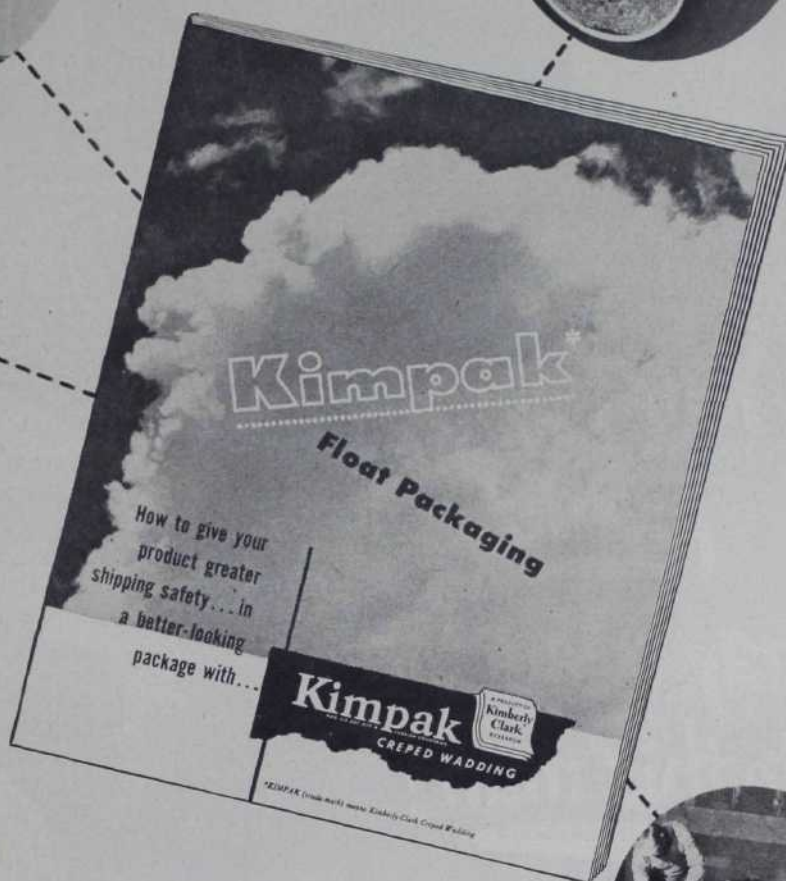
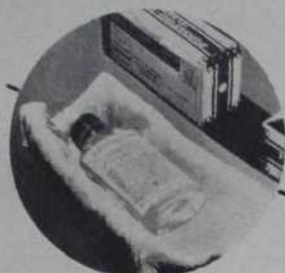
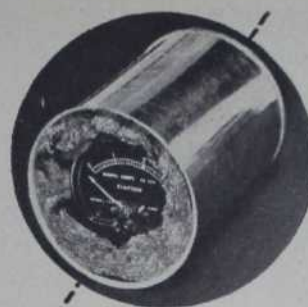
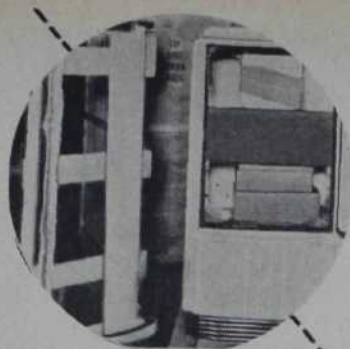
In the breakdown of income and expenses Mr. Brown has to go back to using "stockholder" but he might have put "tool owner" in parentheses just to emphasize what looks like a mighty good word. Out of the J-M sales dollar 42½ cents went to job holders and 3½ cents to the tool owners, while 2½ cents was reinvested in the business.

Foreign Trade Week

THINGS move fast these days—even such things as the promotion of National Foreign Trade Week. Hardly had this year's Foreign Trade Week exhibits been dismantled when its sponsors, the Chamber of Commerce of the U. S., announced that next year's observance will be held May 18-24.

The 1946 theme was "World Trade Puts Men to Work." Idea is to bring to public attention the dependence of the U. S. on some imported products, and the importance of foreign markets to many U. S. producers.

Unusual exhibits won special mention for Baltimore, Boston, Louisville, Los Angeles, New York City, Oakland and Toledo during this year's observance.



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This helpful man is your local National Cash Register Company's representative, and a good man to know in these days of widely rising operating costs.

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POSTWAR FEATURES OF THE
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COSTS \$24,480 00!

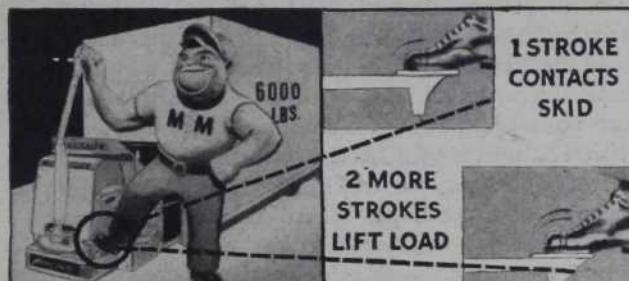


Yes, you get more—much more in the amazing NEW POSTWAR TRANSPORTER—the miracle electric truck long famed for cutting handling costs in half and taking the work out of every material moving job.

Astounding new money, time and work saving features have been added. Developments that lift loads faster, move them easier, give longer life and greater efficiency to a unit already noted for energy-saving performance.

Get *all* the facts about the new 1946 Transporter before you decide on any motorized hand truck. Send coupon.

1. New 3-Second Foot Pedal
3 Strokes and You Go! . . . Says Muscle Mike



Three Tons Move With Amazing
"Touch-of-your-Thumb" Ease

The new 3-second Lift Pedal contains two pistons or cylinders, the high pressure (low speed) cylinder being housed inside the low pressure (high speed) piston. Both cylinders are actuated by the cam when the foot pedal is depressed. One easy stroke of the foot pedal quickly engages skid.



When load resistance is encountered, the fluid from the larger or low pressure cylinder by-passes back into the reservoir, and the high pressure cylinder is employed to raise the load. So first stroke of the foot pedal engages the load, and two more strokes raise load sufficiently to move.

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Complete "dead-man" control is assured by a double shoe external contracting type larger diameter brake, which provides four to five times more braking effort. This gives you a Positive Mechanical Brake more efficient and safer the instant control handle is released to upright position.



3. Double-Pitch Reduction Chain Drive prolongs life of unit.

4. New Magnetic Contactor Utilizes Silver Alloy Tips to give ten times more life.

5. Carbon Brushes in Commutator Type Collector Ring Replace Copper Fingers to eliminate lubrication, increase wearing quality.



Simple Lubrication—Easy Adjustment

6. Easy To Get At
Power Unit

Changes in design have been made, so that all parts of the power unit are easily accessible. The wiring system has been simplified, and component parts compactly placed where they can be reached easily for lubrication, adjustment and inspection.

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Street Address

City State.....

LOOK TO THE LEADER FOR ALL THAT'S NEW

You name it...
the 'JEEP' does it



The "Jeep" power take-off operates a winch or serves any number of other useful purposes. With spline shaft or pulley drive, it furnishes mobile power for many kinds of industrial and agricultural units.



The "Jeep" makes a handy, economical pick-up unhampered by close quarters or bad roads. You use conventional 2-wheel drive for highway speed and economy; sure-footed 4-wheel drive for heavy going.

There seems to be no limit to what you can do with a "Jeep"—the versatile, all-purpose vehicle that serves all industry.

It carries up to 800 pounds or pulls up to 2 1/2 tons across town or across the plant yard. It gets in and out of places where less maneuverable vehicles cannot go. It threads its way right into your plant... takes material directly to the production line... delivers finished products for shipment or storage. It doubles as tow truck, service car, pick-up.

As a runabout, the Universal "Jeep" takes repair men and maintenance crews wherever their work requires, traveling on or off the road with equal ease and delivering men, tools, and power directly to the job.

The "Jeep" serves also as a mobile power unit—with power take-offs that deliver up to 30 hp for the operation of industrial equipment or agricultural units.

Ask your Willys-Overland dealer to demonstrate the "Jeep" right on the job, and see for yourself how "Jeep" versatility can be used in *your* business.

WILLYS-OVERLAND MOTORS, INC., TOLEDO 1, O.
Maker of America's Most Useful Vehicles

GET A **'Jeep'**



Chessie's Railroad Gets Harriman Award

For Safety in 1945

THE Chesapeake & Ohio Railway has just received the Harriman Gold Medal for Class A railroads. The award was given by the American Museum of Safety for the utmost progress in safety and accident prevention in 1945.

This is no occasion for back-patting or self-congratulation. Instead, it is an opportunity to point out that the American railroad industry as a whole has such high standards of safety that any differences which may exist between the yearly safety

records of individual roads are very slight indeed.

We are quite as proud of the safety record of all railroads as we are of the gold medal and certificate awarded us for our own 1945 record.

To all of our Chesapeake & Ohio people, whose work in 1945 made it possible for us to again receive this honor, we say a heartfelt thank you.

We shall try to keep up the good work in the years to come.

Chesapeake & Ohio Railway

Terminal Tower, Cleveland 1, Ohio

"No-swell" roller swells laughs



— helps newspapers print
millions more funnies

THE "funnies" that give you so many chuckles of a Sunday morning are not always so funny to the men who print them. To pressmen they are often a headache.

The chemicals contained in the colored inks soak into even the toughest natural rubber rollers causing them to soften and swell up beyond adjustment limits. Rollers have to be removed and ground down to proper size — an operation that costs money and shortens the rollers' potential life.

Publishers told their troubles to the G.T.M. — Goodyear Technical Man. He responded with an ink roller of entirely new design that is already setting new performance standards in newspaper color printing.

This new De Luxe Roller is made of a special "soft"-type synthetic rubber that spreads ink more evenly, insuring cleaner reproduction. It is fire-resistant, and being less permeable to solvents, swell is negligible, eliminating frequent regrindings that cost money and waste time. And it wears so much longer, runs so much smoother, it inks millions of extra color pages.

Such standout performance is typical of all Goodyear industrial rubber rolls, whether used in printing, tanneries, steel, paper or textile mills — because all are specially designed and compounded to meet the most rigorous service conditions. To get full information, write the G.T.M., Goodyear, Akron 16, Ohio or Los Angeles 54, California.



GOODYEAR INDUSTRIAL RUBBER PRODUCTS



-Specified

DE LUXE INK ROLLERS

(form, feed, vibrator for Color Printing)

Minimum swell —
less regrinding

Steel
shaft

Soft-type synthetic rubber
bonded directly to shaft

NOTE: Goodyear rollers are the same density throughout — have no stiff, hard-rubber core — insuring smoother performance, better adhesion, longer life.

FOR HOSE, BELTING, MOLDED GOODS, PACKING, built to the world's highest-quality standard, phone your nearest Goodyear Industrial Rubber Products Distributor.

GOOD YEAR

THE GREATEST NAME IN RUBBER

MANAGEMENT'S

Washington LETTER

A last minute roundup by a staff of Washington observers of government and business

► **FIRST YEAR OF PEACE** (Aug. 14) has barely laid foundations for a permanent organization to curb aggressors; but finds world economy clearly on the mend.

Major accomplishments of the year on world's troubled log of peace: Famine licked everywhere save interior China; shipping resumed over all war-blocked ocean lanes; political and economic reconstruction and rehabilitation well advanced in Japan, but badgered by power politics in Germany; reconversion agonies passed in U.S. but many wartime emergency powers still in full force; material shortages and tremendous backlog of war-deferred demand in every line tend to conceal a total production volume generally about 20 per cent above 1935-39 average.

Establishment of Bretton Woods Bank, and Reconstruction Fund, plus expansion of Export-Import Bank capital and British loan provide the financial sinews for broad-gauge reconstruction over coming five years.

Biggest business problem today hinges on course of U.S. prices over next six months—inflation or stabilization?

► **FLOATING WAGE SCALES** are the new style in union contracts. Labor Department finds 71 of 99 contracts in basic industries carry clause which permits renegotiation of wage rates during the contract term.

Most clauses are conditioned on an upward change in living costs; do not allow management to reopen contract if living costs go down.

► **NEW HOBBS BILL** directly penalizes extortion which "in any way obstructs, delays, or affects...the movement of any commodity in interstate commerce."

This is a beginning toward outlawing bald racketeering, and brings a number of long-established distribution arrangements under re-survey.

Hobbs Bill is the first federal statute providing for direct criminal

actions against labor unions in the federal courts, rather than through special labor tribunals.

► **ATOMIC ENERGY** has been harnessed successfully by the Navy for ship propulsion, but wide application must await redesigning of fighting ships to utilize smaller, more compact power units.

Government's new \$347,000,000 atomic production plant at Hanford, Wash., to be turned over to General Electric Sept. 1, will concentrate on peacetime applications of new atomic power.

► **JUSTICE DEPARTMENT** serves notice, it is on the alert against foreign ideologies boring into U.S. labor and "party-line" groups.

Attorney General Clark has admonished legal profession, as officers of the courts, to mark well the difference between sincere and honest redress petitions "and the effort of outside ideologists to stir up trouble."

Justice Department itself notes the existence of "a national and international conspiracy to divide our people, discredit our institutions, and bring disrespect for our government."

"Party-line" statements against U.S. policies appear simultaneously in revolutionary papers in London and New York—evidence, as the Attorney General sees the picture, "of a deep-seated and vicious plot to destroy our unity."

► **FREIGHT LOADINGS**, showing an increase of 50 per cent in total cars handled this year as against 1939 period, offer our brightest picture of basic business conditions and outlook.

Taking March and June this year (when there was no coal strike) and comparing with same months of '39, carriers report an increase approaching 50 per cent in cars loaded and 96 per cent in total ton-miles of freight.

As much of this hauling was in preparation for expanding peacetime production, the over-all picture is far brighter than is found in any other basic business index.

Abnormally heavy grain shipments in March and June this year accounted for only about 2 per cent of the increase.

Because of longer average haul on most freight nowadays, the actual increase in physical volume over prewar normal is something between 50 and 96 per cent.

► **PREWAR PRODUCTION LEVELS** now are being surpassed in washing machines, vacuum cleaners, auto tires, shoes, and lumber.

Autos still are heading for the half-way mark, as against prewar average

production; sewing machines and mechanical refrigerators are approaching the half-way mark on the road back; electric ranges are at 60 per cent of prewar and ready to hit the old stride as soon as the copper picture eases.

► NEW LEAD CONTROL program, effective Aug. 1, requires a set-aside of 25 per cent of all production for allocation by CPA.

Third quarter allocations total 217,000 tons, against 232,000 in second quarter. Much of the cut will be realized on storage batteries.

Set-aside lead will be shipped directly on CPA order to relieve hardship cases. Emergency shipments for September must be applied for before Aug. 20, on Form CPA-95.

Producers of auto batteries in third quarter will be cut to 19 per cent of their lead use in 1944 base period.

Labor stoppages cut primary lead production considerably below April production estimates.

► SCRAP IRON is the new bottleneck in steel production. CPA urges a nationwide emergency drive, aided by chambers of commerce and civic bodies, to replenish depleted mill inventories and reserve scrap piles.

Bureau of Mines says recent scrap receipts have been barely half tonnage needed to maintain steel production at current rate. Scrap inventories in mills and yards are reduced to half normal.

An intensive community drive in every county would offer immediate relief.

► CIO HIGH COMMAND decrees there is no area of industrial production too insignificant to be organized. One of its latest ventures into new pastures is the Playthings, Jewelry and Novelty Workers International Union, designed to take in those who produce celluloid dolls, bathtub boats and tissue-paper hats.

Labor Relations Board recently set an election in a Buffalo plant to settle a crippling jurisdictional dispute. Question at issue was whether decorations for wedding cakes should be made by Bakery and Confectionery Workers (AFL) or Novelty Workers (CIO).

► STATE DEPARTMENT'S withdrawal of trading ban on blocked firms of Latin-America removes last wartime restrictions against groups accused of aiding Germany and Japan in the war.

The U.S. Proclaimed List, which began July 17, 1941, carried 15,446 names at peak, in July, 1944. These had been

whittled down to 6,000 when whole program was abandoned.

Britain and Canada simultaneously abandoned their blocked list.

► SPECIAL CENSUS SURVEY shows that 9,940,000 of our 11,840,000 discharged veterans have steady jobs and 600,000 more have resumed their education.

Majority of balance (1,300,000) are taking 30 to 90 days' rest before resuming jobs, or are temporarily unemployed while shifting from one job to another.

Says Department of Labor: "The employers of the nation have done a surprisingly good job in absorbing returned veterans."

► BUILDING CODES are under the federal microscope at the Bureau of Standards. Outmoded regulations which no longer serve original purpose of safety, fire prevention, or structural efficiency should be discarded in favor of a model municipal code.

Many city codes retard construction through ridiculous make-work requirements, or by material and labor rackets.

Some codes take no account of materials developed in past 40 years.

► GUARANTEED MARKET for new products in construction field is provided under Veterans Emergency Housing Act, and applications now are being received by National Housing Agency.

Blanket contract underwrites maximum production in each item (including prefab homes), with Government taking all items not moved in regular trade channels. Government's maximum price on its take is limited to 90 per cent of listed delivery price.

► WOMEN'S APPAREL continues under wartime style controls.

CPA has instructed all producers that dress lengths may range between 43½ and 47 inches, sleeve lengths from 30 to 31 inches.

Amended compliance regulations make U. S. retailers responsible for violations by foreign designers.

► SALVAGED BUILDING MATERIALS from abandoned military camps become available Aug 1. All lumber and plumbing equipment will be funnelled directly to emergency housing.

Fifty barracks installations are scheduled to be dismantled by November. Army estimates program may yield 1,500,000,000 feet of lumber, sufficient for 200,000 emergency dwellings.

Demolition is under Army Engineers,

with salvage allocations being handled by Housing Expeditor Wyatt.

► **SMALL BUSINESS** operations now get second priority (instead of sixth) on surplus industrial plants and sites. A new regulation by War Assets Administration gives federal agencies first priority for their own use. RFC gets second call for re-sale to small business. City and state governments come third, and non-profit associations, fourth.

► **SURPLUS MACHINE TOOLS** valued at \$700,-000,000 held by War Assets Corp. are bringing roughly 50 cents per dollar of original cost to Government. Sales are made through 2,500 approved dealers in the tool trade.

First \$45,000,000 of sales through July cleared machinery which originally cost \$93,000,000.

► **GI LOANS** to start new business ventures now total \$60,000,000 spread over 25,000 loans carrying 50 per cent guarantee by federal Treasury.

In first six months, 121 veterans defaulted for \$100,000; but 374 repaid in full ahead of schedule.

New loans in this category—not including educational or home-building assistance—average about 5,000 a month.

► **DON'T REFLECT** too studiously on the sonorous world reports from the United Nations. They're coming off every month now—on employment, national diet, child health, medical care, industry.

They're all accurate and true. But bear in mind that, of 70 nations credited with administrative sovereignty, 41 have fewer inhabitants than New York City.

So if 30 nations are found to have less than 500 miles of railroads each, that's not too bad.

► **FOREIGN TRADE** is cultivated aggressively once more by several basic U. S. industries.

Despite huge U.S. demand, many companies must soon turn to greatly increased overseas shipments to maintain present employment levels.

Without increased sales abroad some may face cutbacks from postwar production highs by the year's end.

► **HENRY WALLACE** is reported by his friends to be moving sharply away from the orbit of international Communism. He got an advance peek at Stalin's Mein Kampf, and the raw forms of Russia's statism shook his experimental tolerance of the cooperative commonwealth.

Watch Commerce Department developments for evidence of the Secretary's recent political reconversion.

► **TURKISH GOVERNMENT** has three purchasing missions in U. S. to tool her industrial expansion program (for cash) in textiles machinery, Diesel, steam and electric prime movers, and all sorts of machine tools.

Missions are scouts for 59 industrial operations centralized through Ankara.

► **BOOTLEG AUTOS** are moving to Cuba and Mexico under tourist passports. Owners sell cars at fancy prices, deduct home-trip plane fare and start over again.

To choke off this heavy export seepage Commerce Department rules that over-the-border drivers must show ownership title at least six months old.

Summer tourist trade to Canada may be hurt. If you have had your car less than six months you will need a temporary export permit to cross the border.

► **IF RAILROADS** are your customers, you have a big stake in their earnings possibilities for the next five years. They need \$500,000,000 a year for equipment and \$300,000,000 annually for roadway.









In the highly prosperous 1923-30 period these figures were \$390,000,000 and \$463,000,000 a year, respectively.

► **WASHINGTON'S BUSINESS BRIEFS:** Russia's annual petroleum production equals approximately 40 days' current consumption in U. S.; will be expanded to 60 days' U. S. consumption by 1950....U. S. copper production first half of this year was barely 27 per cent of 1944 average....Army has \$425,000,000 for occupation forces abroad this year, a heap more than last....Coal shortage will be severe this winter in areas far from mining; 1946 bituminous production is 20 per cent behind 1945....Office machine industry is carrying an average unfilled-order backlog amounting to ten months' current production....Navy has released 7,310,000 pounds of surplus nails since V-J Day....New light-weight radar tested for transport service charts weather an hour ahead of plane; picks up coast lines 50 miles away....Prof. Rex G. Tugwell has taken up his new duties as Director of Education and Research in Planning at the U. of Chicago....Secretary Anderson is sending out a mobile exhibit for county fairs, tuned to the slogan: "Consider thine inheritance and be thankful that thy lot is cast in such a land."

BUSINESS MEN'S QUIZ

Test your knowledge of
Industrial Los Angeles



	1	You've heard about Los Angeles' spectacular population growth, but do you know whether Los Angeles now ranks: (a) third; (b) fourth; (c) fifth; (d) sixth, in the U. S.?
	2	Los Angeles has an ample supply of water for a city of: (a) 3,500,000; (b) 4,250,000; (c) 7,750,000; (d) 2,250,000.
	3	In total value of farm crops in the United States, Los Angeles County is: (a) first; (b) third; (c) fourth; (d) sixth.
	4	New York Harbor is first in ocean tonnage handled, but do you know whether Los Angeles Harbor is: (a) second; (b) third; (c) fifth; (d) sixth?
	5	Highway transportation is important to many industries. Although only 39% of rural roads in the United States are surfaced, in California the figure is: (a) 44%; (b) 47%; (c) 53%; (d) 62%.
	6	Akron leads the United States in rubber manufacture... but do you know whether Los Angeles is: (a) second; (b) third; (c) fifth; (d) eighth?
	7	Where does Los Angeles rank in auto assembly: (a) second; (b) third; (c) fifth; (d) sixth?
	8	Los Angeles is the logical supplier of the 11 Western States—which have long produced only a small percentage of the goods they consume. For example, in 1940 these states bought 15% of all refrigerators sold in the U. S....but they produced only: (a) 1.2%; (b) 1.8%; (c) 2.6%; (d) 4.2%.

Refrigerators are only one of the items that Los Angeles should be manufacturing for this rich 11-state market. If you will write on your business letterhead, we shall be glad to mail you free a copy of our new book, "F.O.B. LOS ANGELES." It answers many questions about industrial opportunities—as well as about the factors which make Los Angeles the nation's No. 1 location for additional plant facilities.



ANSWERS

1(b), 2(c), 3(a), 4(a),
5(c), 6(a), 7(a), 8(c).

Los Angeles City-Owned

DEPARTMENT OF WATER AND POWER

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Los Angeles



IN THE WEST



IN YOUR INDUSTRIAL FUTURE

TRENDS



OF NATION'S BUSINESS

The State of the Nation

AMONG those great books which combine intellectual stimulus and spiritual solace with the gripping timeliness of the morning newspaper, high place must be given to Prof. Arnold Toynbee's profound work entitled "A Study Of History." For those who seek to anticipate the course of national destiny this six-volume analysis of the reasons why civilizations rise—and fall—provides something akin to a geodetic chart.

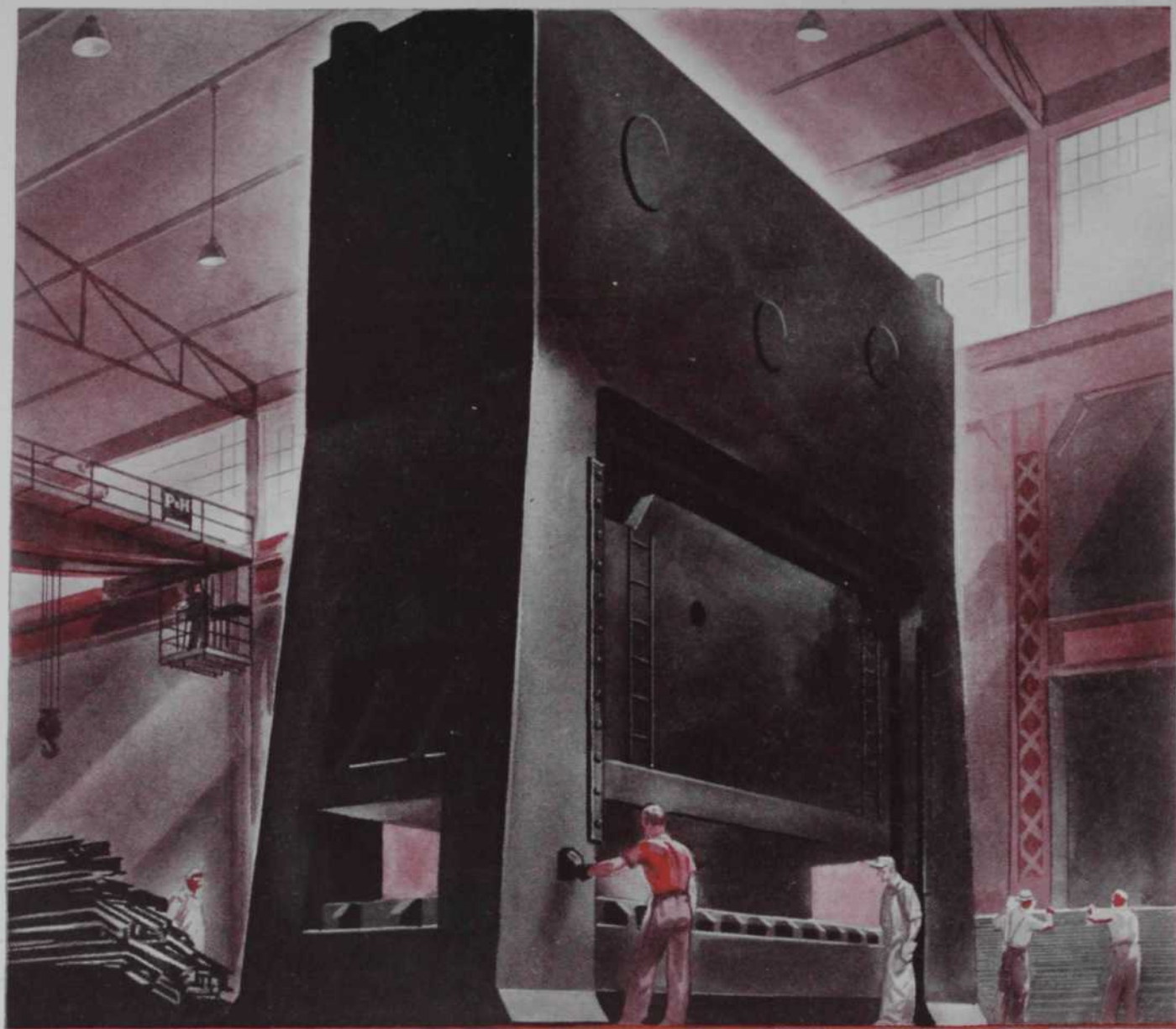
Dr. Toynbee, Research Professor of International History at the University of London, began his epic undertaking as the essential futility of the first World War became clear to him. Like Oswald Spengler, whose "Decline of the West" has something of the same Faustian theme, and like other thoughtful men who have steeped themselves in cosmic rather than in parochial history, Toynbee saw the conflict of 1914-18 as a dreadful warning of the breakdown of that European and ostensibly Christian civilization of which each of the major belligerents was a part. Writing as a historian, not merely as an Englishman, this scholar could see, and say, that the war between the Triple Alliance and the Triple Entente was spiritually, socially and economically a civil war. That pre-atomic conflict was not so much a test of respective national strengths as a symptom of disintegration in the common civilization from which the roots of the contesting societies drew their sustenance.

Fearing—and predicting—a second European war which would complete the disintegration promoted by the first, Professor Toynbee asked himself why so many seemingly intelligent people,

from 1919 to 1939, showed no real comprehension of the disaster which had overcome the Western World. Even today, those struggling in the greater wreckage realize the results more clearly than the causes of their mutual catastrophe. The conclusion is that this pathetic ignorance comes from the habit of reading history, and of building political procedures, on a rigidly national as opposed to a broadly human basis. In consequence, political thinking remains local in character as scientific thinking tends to become universal. Simultaneously religious loyalties, once ecumenical, become strongly nationalized. The rapid growth of state controls in the Nazi fashion rounds out the degeneracy of modern man.

Thus the virus of nationalism has produced a lack of balance in human relations which must eventually sweep away not only nations, but also the foundations of the civilization from which many of these nations have sprung. The least observant of us now realizes that the nations of western Europe are for the most part completely shattered and that the first year of nominal peace has seen little advance toward any real convalescence. These nations are broken in a moral as well as in a material sense, to the extent that if the choice of deserting Europe to settle in America were offered to any 100 Europeans, chosen at random, probably 99 of them would leap at the opportunity. Yet only a century ago the 99 per cent would have chosen to stay put.

This tremendous reversal in the judgment of Europeans, regardless of nationality, about the future of Europe is not wholly due to the physical misery of contemporary existence there, as con-



Big Squeeze—3000 Tons

Another instance of P&H welding in heavy industry

Look big? It is big—the mightiest press of its kind ever built—with a “squeeze” that bends heavy steel plate as you would fold a piece of cardboard!

Yet for all its size, this huge press has the modernly trim lines that typify all-welded design. No cumbersome braces complicate its design. No rivet or bolt holes weaken its frame. No needless slabs of metal weigh it down; in their stead is the lighter, far stronger, welded fabrication of rolled alloy steels.

More and more, heavy industry is coming to realize that arc welding and simplicity go hand in hand . . . that welding encourages design for function alone . . . and that *only* welding permits a complete check on the work at all times—both in materials and workmanship.

Welding electrodes for this specific job are made by P&H, the same manufacturer who builds giant excavators, road machinery, and overhead cranes of rolled alloy steels, all welded. The fruits of this unique user-maker experience are available to all who call on P&H for America's most complete arc welding service,

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P & H

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trusted with the relative ease and luxury of all American living. Man does not live by bread alone and one need receive only a few letters from old friends in various parts of Europe to realize that the United States is, to the people of that Dark Continent, a Land of Hope and Glory as well as one of Milk and Honey. The question is whether we realize the implications of this belief.

Faith in ourselves

The advantages of the people of our fortunate country are not limited to the almost incalculable potential of our agriculture, our industry and our commerce; nor to the more easily exaggerated energy, intelligence and self-reliance of the average American. Underlying these assets, and to a large extent creating these assets, is a faith in human nature, and in the reality of Divine Guidance when humbly and sincerely sought, which no other people possesses in like degree. Whether we have that faith because we are fortunate, or whether we are fortunate because we have that faith, is another question which Americans might soberly ask themselves.

What is beyond question is the fact that the faith still vibrant in America, though moribund in Europe and undeveloped in Asia, is of the essence of that Western Civilization which the last two wars have blasted in its original home. One cannot adequately consider the state of this nation, as the first disillusioning postwar year draws to its close, without emphasizing that America today is potentially much more than a nation. Whether by accident or design, it is also the heir of the classical and Christian traditions, which by their respective emphasis on self-improvement and on personal obligation produced the conviction that Man is more important than the State.

That is why, from any general and long-range viewpoint, no price that eliminates an agency like OPA can be called too high. For if the tradition that Self-Control is more important than State-Control should go by default in this country, it would be lost to all mankind. The torch which was lighted in ancient Athens, to be rekindled and made more effulgent at Bethlehem, can be extinguished. Government cannot sustain this beacon, for only the individual, acting as such, can supply its fuel.

The responsibility of the individual American, who rightly discerns that God and not the State is "Author of Liberty," is the stronger today because there is abroad in the world a philosophy rival to that of Western Civilization and steadily extending its sway over people who are easier converts because they are deprived of hope. Soviet Russia, like the United States, is more than a nation. It also is the protagonist of an idea, and one which runs counter to every American instinct. "Subordinate yourself to governmental

decree," say the advocates of Communism. "Emancipate yourself from governmental regimentation" say those who believe in the principles on which this republic was founded.

There is a natural, and increasing, tendency to argue that a fundamental cleavage of this character makes it absurd to talk of "One World." The situation, rather, seems akin to that which Mussolini arrogantly asserted when, in the heyday of Fascism, he announced: "The struggle between two worlds can permit no compromise. Either We or They!"

War Would Ruin Victor

It is not, perhaps fortunately, so simple as that terrifying alternative implies. A third world war, between an Anglo-American alliance as "We" and a league of Communist states as "They," might lead to the atomic destruction of the latter. But assuredly it would also produce such a further extension of governmental controls in the democracies that they would lose the very virtues which they defend.

The contribution of Professor Toynbee has been to emphasize, with a wealth of supporting evidence, that we have now passed the stage where thinking in strictly national terms has any fundamental meaning or reality. Writing even before the last war this English philosopher concluded that "the comfortable road of a growing civilization has been remorselessly closed by the catastrophe of a social breakdown."

For an American this grim conclusion is as yet far less obvious than for an Englishman. But that advantage does not diminish the comfort in the moral with which this great historian crowns his work. When a civilization is growing, he points out, the role of creative leadership—national or individual—is that of aggressive response to whatever challenge circumstance offers. But when a civilization is disintegrating the same type of creative leadership "is called upon to play the part of a saviour who comes to the rescue. . . ."

Essentially, this is what Herbert Hoover said, on the conclusion of his recent famine survey:

"The jeopardy to mankind by famine gives to us an opportunity to change the energies of the world from killing to saving life. These months can bring the glow of a new faith, and a new hope for the dawn of a new era, to mankind."

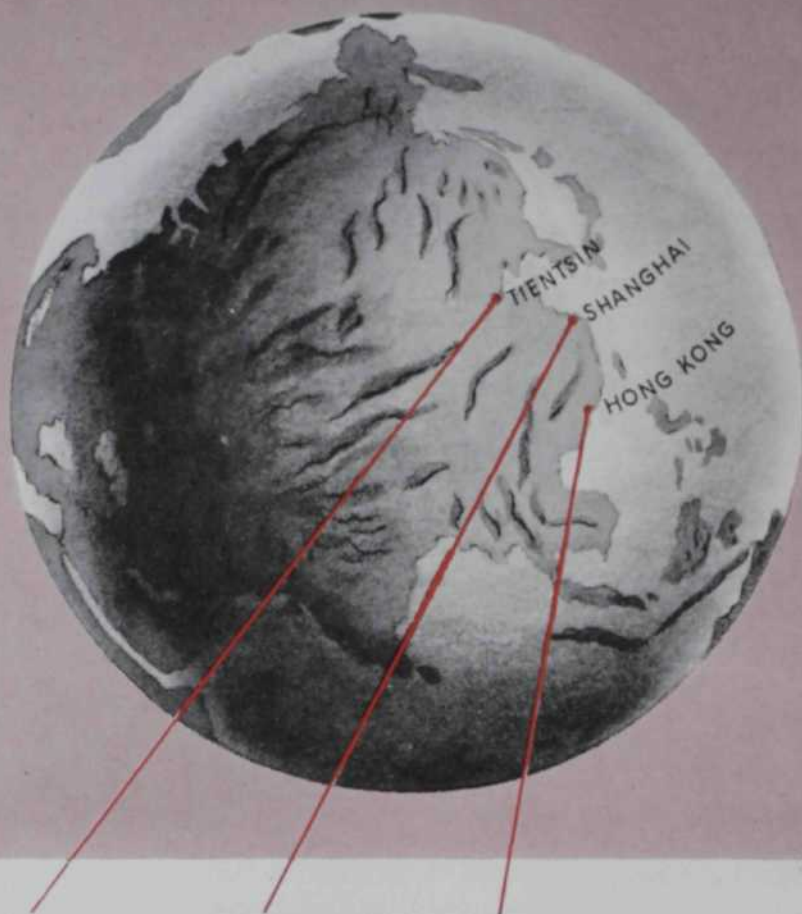
Magnificent is the potential destiny of a free republic which is in the emergency guided, by its traditions, its resources, its humanitarianism and its leadership, to lift the saviour's torch.

FELIX MORLEY





大通銀行



OUR OFFICES IN TIENTSIN, SHANGHAI, HONG KONG ARE

Vital Links for Chinese-American Trade

When, several months ago, THE CHASE BANK reopened its offices in Shanghai, Hong Kong and Tientsin, it again provided American business with banking facilities to expedite and widen the flow of commerce between this nation and China.

These Chase branches are keys to the development of trade with China—a country where approximately one-fifth of the world's population lives.

Chase Foreign Department officers in New

York are in constant communication with these Far-Eastern offices and therefore can supply current information on markets and conditions to executives of American business firms.

It is believed that tomorrow's trade with China will be substantially larger than in pre-war years. Enterprising manufacturers and merchants who desire to take full advantage of the opportunities presented will find the Chase a willing and helpful business ally.

You are invited to send for the current edition of our Folder "Import and Exchange Regulations of the principal countries of the World."

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The U. S. and World Affairs

THERE IS an Alice-in-Wonderland quality about the shape of world affairs these days.

A Paris dispatch rightly contrasts "the vast importance of the subjects which the Foreign Ministers are not discussing" with the "relative triviality" of the topics discussed. In the UN Security Council, representatives of history's most dynamic dictatorship, whose current ambitions send war chills down the global spine, insist that peace is menaced by a quiescent and toothless dictatorship in Spain.

Hard Problems Are Put Off

Postponement of knotty problems, such as the disposition of Italian colonies, signifying failure to get together, is hailed as a successful achievement. Optimism (in its rare appearances) is graded like a fever thermometer—"real" optimism being reported one day, the "cautious" or "restrained" kind the next day. The fears and plans and conflicts involved in squabbles about Iran or Franco or the Danube, perfectly obvious to anyone who is politically literate, are never mentioned in the official debates.

The result is an atmosphere of make-believe in which every reference to reality has the impact of an explosion. Many reasons might be cited for this lack of realism. One of them, without doubt, is the acute Anglo-American embarrassment over the exorbitant concessions and promises made to Russia during the war, at the expense of loyal allies like China and Poland and in violation of the Atlantic Charter and other solemn pledges. Another is the failure of the United States to focus its policies, to decide what it wants and how it proposes to get it. A third is the deliberate strategy of confusion and delay followed by the USSR, which apparently prefers to keep the world agitated and fluid.

But much of the muddle can be traced to another and more significant source: the time-lag between political thinking and the new weapons of war-making. Whether from habit or despair, nations continue to maneuver grimly for bases, naval life lines, territorial security belts and other military values which are utterly irrelevant to a war fought with atom bombs, planes of 10,000 mile range, guided missiles, stratospheric rockets and bacterial offensives. While military science perfects methods to cancel out space, foreign offices and political commentators maintain the fictions of yesterday's mile-by-mile strategy.

TRENDS



OF NATION'S BUSINESS

Only mental inertia can explain the delusion that bases in the Mediterranean, a frontier deeper in Europe, a naval bastion at Dairen or fortifications on the Kuriles guarantee the security of Russia. Strategically, the Dardanelles in our day and age are about as decisive as a mud creek. We

can understand the haggling over maps in economic and political terms, in terms of national prestige and ideological advantages, but the military arguments are so much myth and mist. The idea that cession of a few hundred miles of its soil by Turkey to Russia would help shield the Baku oil fields is silly on the face of it. In short, the old equation between territorial expansion and war security was blown up at Hiroshima, and before that by Goering's first crude V-bombs.

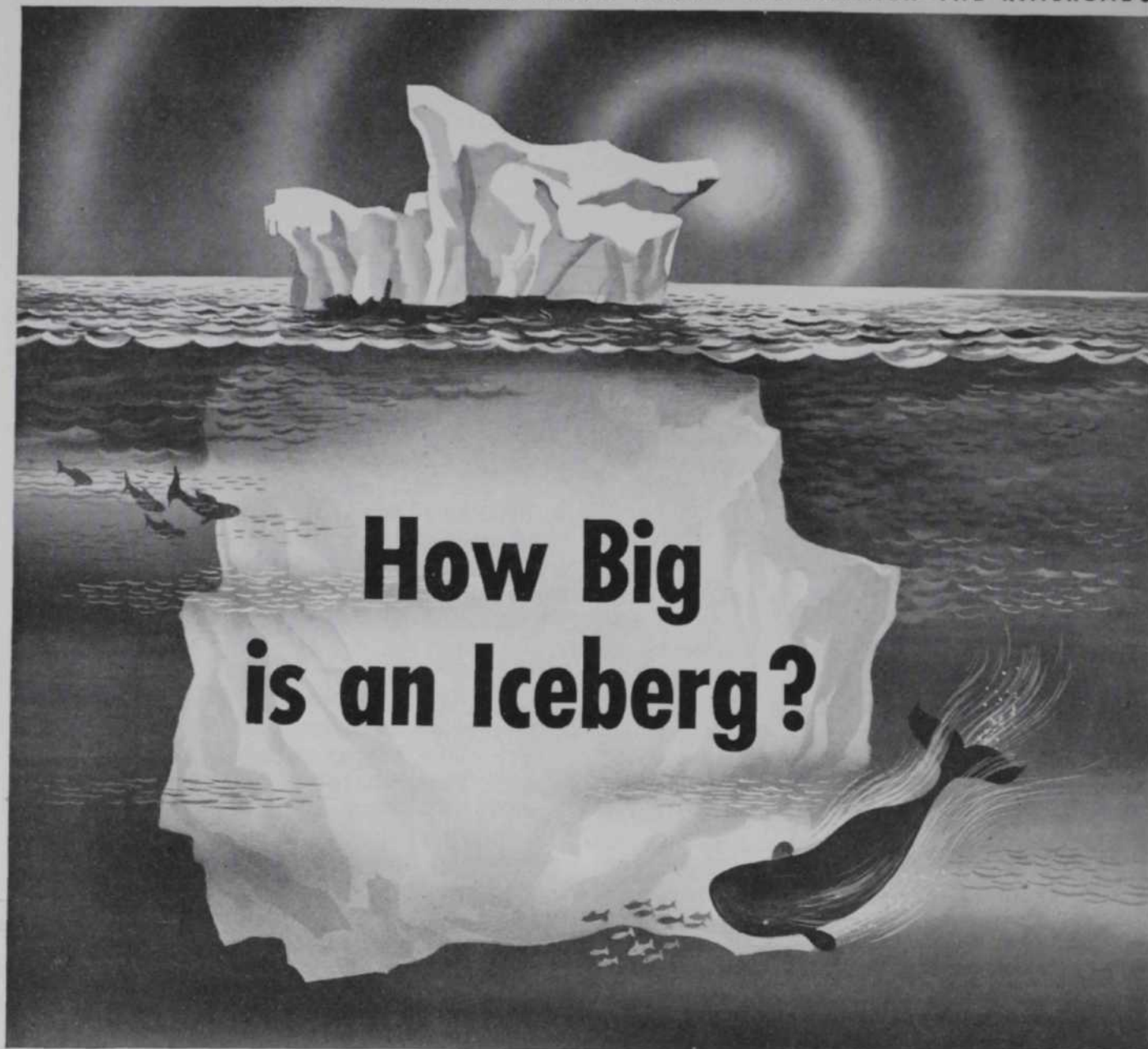
Atomic Realism

That is why the Security Council, in tackling the problem of atomic controls, may be said to have made contact with real life for the first time. This issue overshadows all others. The American proposals presented by Bernard Baruch, and the violent Soviet reaction to them, ripped big holes in the camouflage on world affairs.

They left the deep fears and distrusts between the "two worlds" exposed to the naked eye.

The Pollyanna boys on the air and in editorial sanctums strained to convince themselves that the Washington and Moscow ideas were "not so far apart" after all. They found many parallel suggestions in the two sets of proposals. The core of the American plan, however, is unlimited inspection of atomic activity, backed by effective punitive powers and unabridged by one-nation veto rights. And it was precisely this core that the Kremlin rejected in an angry outburst. The eager hope that Russia might still be induced, by fear if not appeasement, to participate in a world order thus suffered its most serious rebuff. There was little expectation that Stalin would accept the Baruch proposals, but few had foreseen a rejection so complete and so vehement.

It cut through diplomatic persiflage and offered at least a partial answer to the question that has worried observers of the international scene: What is the real Soviet opinion of the United Nations organization? The official Moscow *Pravda* in its attack on the atom plan gave the answer in guarded language. But the unofficial Communist press abroad has dotted the i's and crossed



How Big is an Iceberg?

YOU DON'T SEE the whole iceberg when you see only what's above water. A mighty big part of it is hidden below the surface...

...and it's that way with some transportation costs.

It's impossible, for instance, to tell exactly how big real transportation costs are by air or water or intercity truck. A big part of the cost is hidden below the surface.

These hidden additions to your trans-

portation bills are paid by you in the increased taxes made necessary when the private business of commercial transportation uses publicly constructed and maintained airways, waterways, and highways, *without paying adequate compensation.*

But there is no such uncertainty about final costs of rail transportation. The freight bill tells the whole story, for railroads pay all their own costs. They build and maintain the roadways on

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Hidden-cost transportation takes tax money out of the Federal and state treasuries and means higher taxes for everybody.

Rail transportation puts tax money *into* local, state and Federal treasuries, and means not only lower taxes but also the lowest real commercial transportation costs in the world.

ASSOCIATION OF **AMERICAN RAILROADS** WASHINGTON 6, D. C.



IN PARTNERSHIP WITH ALL AMERICA

the t's. William Z. Foster, top American Communist, did an uninhibited job.

"The United Nations," he wrote in the *Daily Worker* even before *Pravda* came through, "is now in the control of the United States and Great Britain, and these two powers are using their control to further their imperialist plans jointly to rule the world. With this grandiose scheme in mind, these powers are employing the mechanism of the United Nations in an effort to mobilize the capitalist world against the USSR, which country they consider the main obstacle in the way of their imperialist policy. Therefore, should the United Nations, through the Atomic Authority as proposed by Mr. Baruch, get control of the world's production and application of atomic energy, this could only mean the American and British imperialists would thereby acquire a most powerful weapon."

There is no margin for hope that Mr. Foster was talking out of turn. The Communist press in other countries sang the same tune and it all blended harmoniously with the Muscovite press and radio counterpoint. In the interests of atomic realism, as opposed to Alice-in-Wonderland fantasy, we had better face the fact that the Soviet regime looks on the United Nations as a virtual anti-Soviet alliance and therefore will not—by its own logic can not—relinquish any part, however small, of its absolute veto on UN action.

Uncle Sam as Villain

In the same realistic spirit we must also take note of the fact that the United States has displaced Great Britain as the main target of Soviet abuse. While Britons were cast as the principal villains in the Communist propaganda melodrama, a lot of Americans demanded that Uncle Sam act as mediator between Russia and Great Britain. Now it is the turn of escapist British politicians to play with the beguiling notion that John Bull might serve as arbiter and conciliator between the USA and the USSR.

In both instances the would-be intermediaries were merely falling in with the consistent Muscovite objective, which has been to drive a wedge between the English-speaking powers, to blind them to the identity of their basic interests and moral preferences. The nations most interested in the postwar settlements can hardly assume the pose of neutral and objective go-betweens. They might fool themselves but not others.

The Latin American Angle

The most distressing aspect of the stepped-up anti-American drive is its growing strength south of the Rio Grande. Though there isn't half the excitement about the Communist menace in Latin America that there was, until quite recently, about the Fascist menace, it is at least twice as real. Americans as different in their back-

grounds as Herbert Hoover and H. V. Kaltenborn have returned from tours of Latin America deeply impressed by the extent of the Communist-fostered anti-Yanqui propaganda. Besides, under the new Moscow line—evidenced

by the rapprochement between Russia and Argentina—the two extremes now meet and merge so far as the offensive against our Good Neighbor hopes is concerned.

Numerically the Communist movements in Latin America are negligible. Politically they are far from negligible. Their influence is particularly effective through domination of the Latin American Labor Federation (CTAL), headed by the pro-Soviet Mexican labor leader, Vincente Lombardo Toledano, and affiliated with the new Moscow-controlled World Federation of Trade Unions. It is scarcely reassuring to contemplate what the CTAL could do in case of another war, through its control of the most important Latin American trade unions in shipping, transport, communications, mining and other key industries. Hitler at his peak of power never possessed a Fifth Column in our hemisphere remotely comparable in size, discipline and strategic deployment.

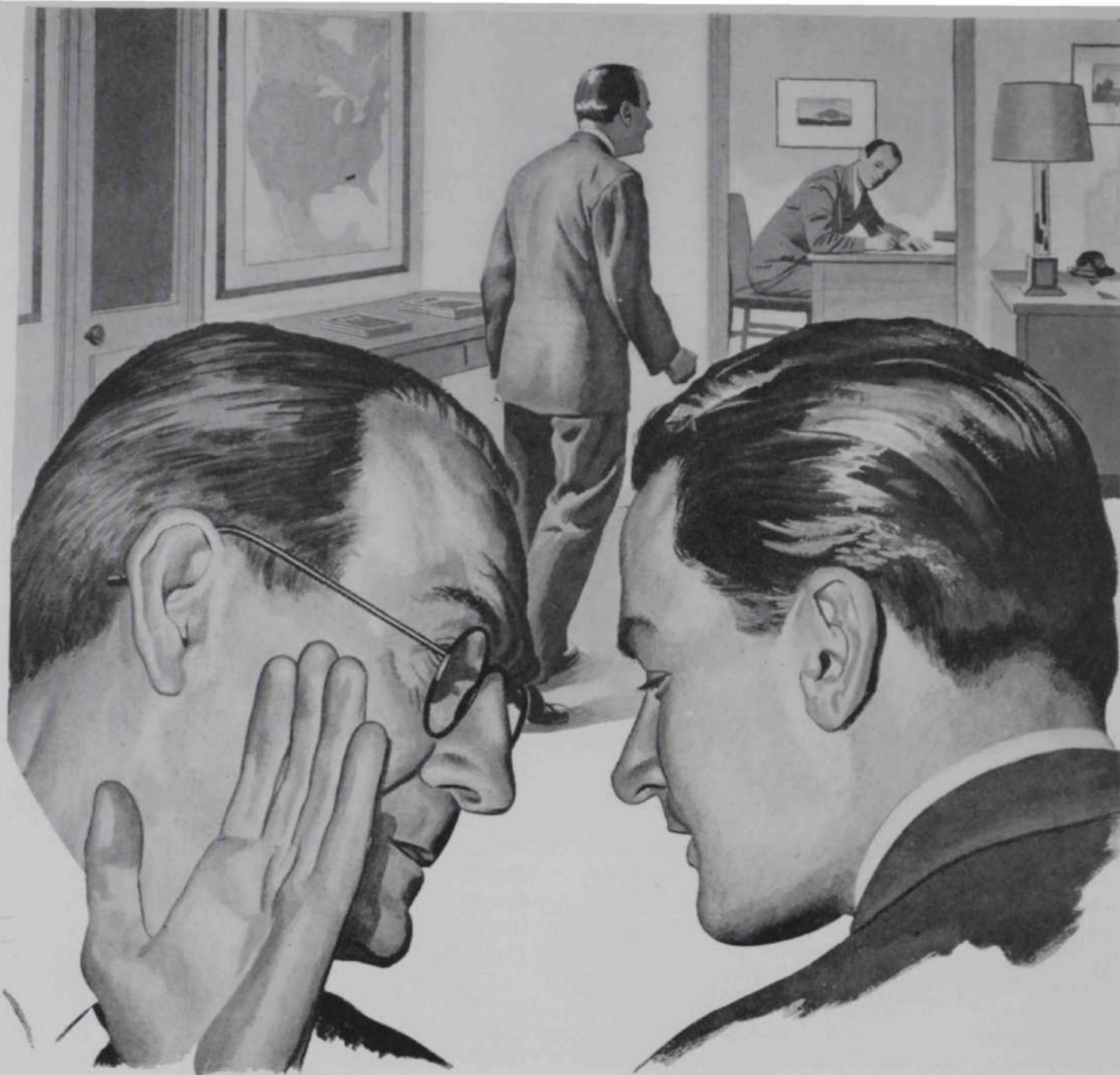
President Truman's plan for inter-American military collaboration has of course touched off thunder on the Left. The so-called Council for Pan-American Democracy, a CTAL setup with headquarters in New York, hastened to warn in a formal resolution that it "would mean that all Latin America would be placed completely at the mercy of the United States." That is the gist of the story told by all other Left mouthpieces.

It is an instructive fact that one of the most blistering assaults on the Truman suggestion came from a leading Communist in Argentina, Rodolfo Ghioldi, editor of the Buenos Aires party-line daily *La Hora*. He saw the new Stalin-Peron cordiality as a blow to United States aggressive designs on the rest of the hemisphere. "The important thing now," he concluded, "is that Argentina adopt a coherent foreign policy which would include, as a first step, disassociation from the plan for Pan-American 'military cooperation.'"

Against this background our State Department would seem to have ample provocation to support the liberal groups in Latin America which, more so than the extreme conservatives, are fighting Communist infiltration and control. But it is obliged to keep hands off in deference to non-intervention principles and pledges. There we have the dilemma posed by Argentina over again in a new context and on a much larger scale.

EUGENE LYONS





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Washington Scenes

THE FLAGS now come down from above the legislative chambers, a sign to tourists that Congress has gone home. On their return, the lawmakers ought to find the air of Washington a lot clearer than it has been these past six months.

The election in November will be the first the United States has held under peaceful conditions in a long, long time. Not since 1938, the year of Munich, has there been a real national referendum in which the predominant issues have been domestic.

Congress, it is agreed, is badly in need of a first-hand directive, and this regardless of which party triumphs next fall. The "voice of the people," as it has been coming into Washington, too often has had a phony ring. Telegrams, letters and postcards have poured in on the legislators. Old-timers on the Hill, however, have been suspicious of many of these appeals and threats, noting that they smacked of well organized campaigns. Anyway, they know that the great bulk of their constituents never bother to write.

Election Will Prove Much

Therefore, a show-down at the polls will clear the air and give members of Congress an unchallengeable expression of the voters' will. In addition, the 1946 election will have several other noteworthy aspects.

There will be no coat-tails to cling to this time; every candidate will have to depend on his merits or his voting record. For the first time in 14 years, the Democrats will go into a campaign without Franklin D. Roosevelt, although, as was said here previously, they will attempt to capitalize on his memory.

The outcome will be widely interpreted as a vote of confidence, or no confidence, in the administration of President Harry S. Truman. Also, it will be regarded as an augury of what may happen in the quadrennial battle in 1948.

This last aspect will be of particular interest abroad. The pre-eminence of the United States among the nations and the fact that so many millions in Europe, Asia and Africa look to it for aid and inspiration have increased global interest in American affairs to an all-time high. This is borne out by the colony of foreign correspondents in Washington, which has grown remarkably since V-J Day.

The United States is the only one of the powers, aside from China, which has not had an election



since the war. Britain held hers last summer, swapping Churchill and conservatism for Attlee and socialism in the midst of the Big Three Conference at Potsdam. Russia also has held an election of sorts, giving her regimented millions a chance to vote aye on a one-party ticket drawn up for them by the

Communist hierarchy. France has held two elections, the last one representing a setback for the French Communists. Even conquered Germany has gone to the polls in the American zone.

Much Criticism at Home

The discord in Washington in the meantime—the strife between the White House and Capitol Hill, the rows within the two great parties, the vetoes and the snail-like pace of legislation—have had a depressing effect on many students of the American system. One of them, at the time Mr. Truman and Congress were battling over OPA, let out an anguished cry in a Washington newspaper, saying that the United States Government had become a "laughing-stock."

Admittedly, other governments work more smoothly and more swiftly. Under the British parliamentary system, for example, a deadlock is resolved by the resignation or reshuffling of the Cabinet; sometimes by a decision of the Prime Minister to dissolve Parliament and call a general election. If the British system were in vogue here in the United States, there is little doubt that the will of the people would have been ascertained before this.

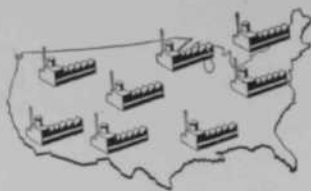
But Lord Bryce, in "The American Commonwealth," went into all that more than a half-century ago.

"All governments are faulty," said that acute student of politics. "To any one familiar with the practical workings of free governments, it is a standing wonder that they work at all. . . . With freedom, when it emerges among the more progressive races, there come dissension and faction; and it takes many centuries to form those habits of compromise, that love of order, and that respect for public opinion which make democracy tolerable. . . ."

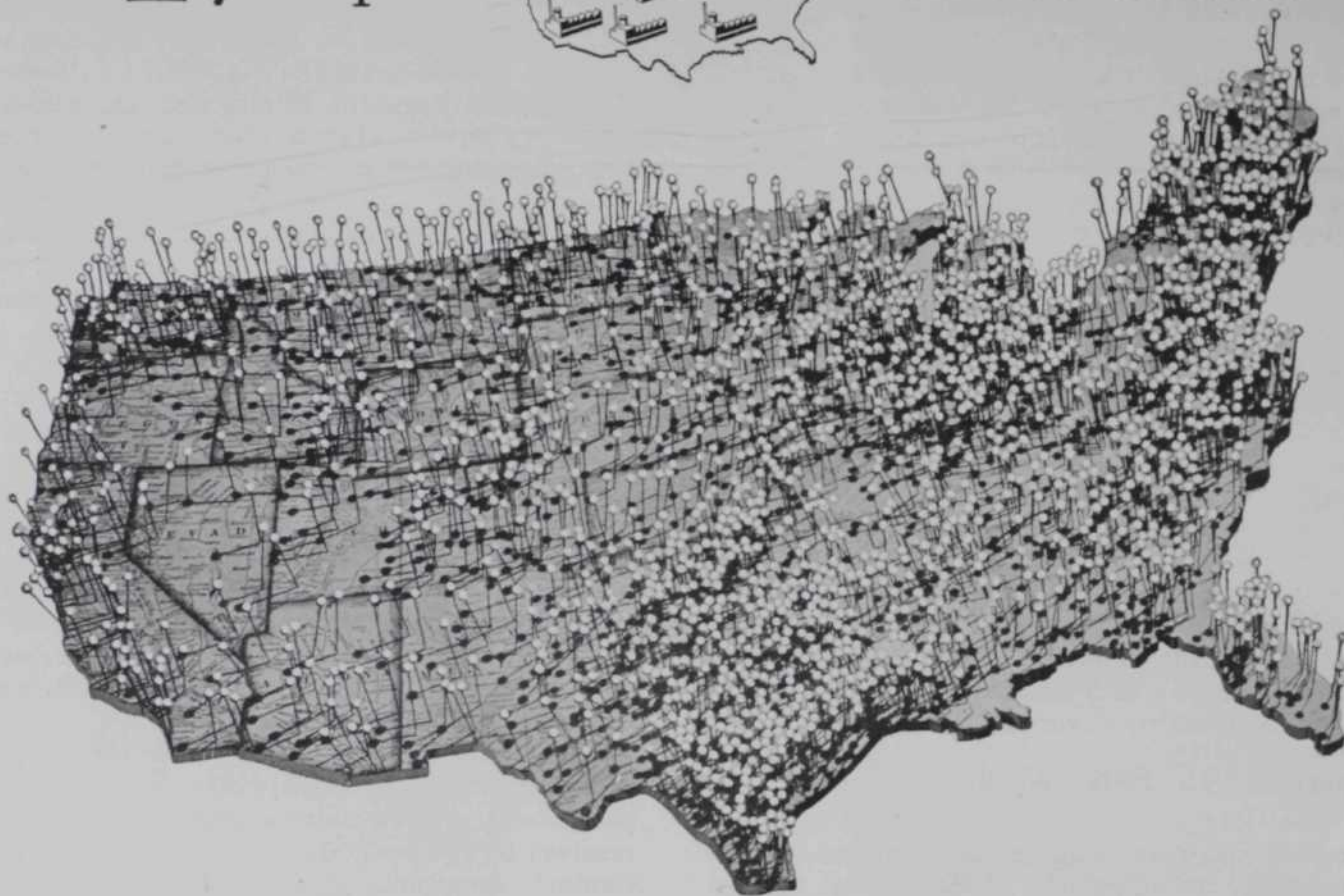
"Now, this good sense and that power of subordinating sectional to national interests which we call patriotism, exist in higher measure in America than in any of the great states of Europe. And the United States, more than any other country, are governed by public opinion, that is to say, by the general sentiment of the mass of

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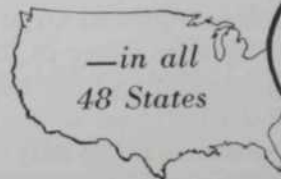
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the nation, which all organs of the national government and of the state governments look to and obey . . ."

If a nation desires perfect stability, Bryce observed, it has to put up with slowness and cumbersomeness. If, on the other hand, it seeks to obtain executive speed and vigor by concentration of power, it must run the risk that power will be abused and irrevocable steps too hastily taken.

The Founding Fathers, having escaped from the grip of British tyranny, made sure that there was no concentration of power in the fledgling republic. Their task was to set up a government strong enough to serve the purposes of the union, yet not so strong as to endanger the liberties of the people. Hence the American system of checks and balances.

The authors of the Constitution, wary of the snap judgment of a popular majority, so distributed power that no branch of government could seize all of it.

"That power might be abused," said Marshall in his "Life of Washington," "was deemed a conclusive reason why it should not be conferred."

Checks on Our Government

The most recent instance of one branch seeking to dominate another was, of course, Mr. Roosevelt's attempt in 1937 to infuse "new blood" into the Supreme Court and thereby get a tribunal more favorable to his reforms. Though FDR was then at the peak of his power, having carried 46 of the 48 states, he suffered his most humiliating defeat. An angry people, through their representatives in Congress, killed the so-called court-packing plan.

Thus, they again exemplified the thing that so deeply impressed Lord Bryce back in the 1880's, America's "reverence for the Constitution."

In spite of the fact, therefore, that it sometimes looks like a "laughing-stock," there is no evidence that Americans desire any fundamental change in their system of government. This promises to be the case even though their patience is put to a greater strain in the days ahead. For it may be that, as a result of the November election, they will find among their checks and balances a Democratic President, a Republican House of Representatives, and a Supreme Court that includes men who despise each other.

The low-down on November, and the question of whether the GOP can pick up the 26 seats needed to control the House, is that the politicians are very uncertain about the outcome, no matter what brave statements they make to the contrary.

Some political scouts, coming into Washington, say that the voters are apathetic and want to go fishing; others report that they are angry over strikes, shortages and the high cost of living.

"It looks to me," said a veteran Republican,

"like the people are mad. The only question is, Whom are they mad at—the Republicans or the Democrats?"

At this stage, that seems to be as good an analysis as any.



Nobody "sold" President Truman the draft-labor provision which he suggested at the time of the railroad strike. It was strictly his own idea, and was aimed at John L. Lewis' coal miners as much as at the railroad workers. Mr. Truman has never backed down on his drastic proposal, despite the unfavorable kick-back, and very likely would put it forward again in the event of a strike that paralyzed the national economy.

Postmaster General Robert E. Hannegan is making an early book on the Republican nominee for President in '48. His favorite, as of today, is Senator Robert A. Taft of Ohio.

This is especially significant in view of the Administration's effort to make Taft the villain in the OPA fight. Mr. Truman obviously sought to make Taft the personification of a manufacturers' drive for higher prices. Over and over again, he hammered away at the "Taft amendment." Altogether he mentioned the Ohionian about 40 times.

Why is it that the Russians switched their name-calling propaganda from Great Britain to the United States?

Top officials, unalarmed, believe that this is the answer: Whenever things are going badly inside Russia, Moscow seeks to distract the masses by working up an external scare. Right now things are going very badly. Reconversion in Russia has been a thousand times more difficult than it has been in the United States.

The propaganda chiefs discovered, however, that the Russians didn't scare easily when Britain was mentioned. A bigger, more formidable bogey was needed. They therefore ordered *Pravda*, *Izvestia* and the Moscow radio to turn their fire on the United States. According to intelligence reports, the Russian people have a wholesome respect for the might of the United States.

One consequence of this anti-American propaganda, wholly unforeseen, was to create a more favorable atmosphere in Washington for the British loan. Russian hostility, it seems, always tends to draw America and Britain closer together. At any rate, the House approved the British loan by a margin far greater than the Administration had hoped. Congress is likely to withhold funds for a Russian loan.

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INTERNATIONAL Trucks

The Month's Business Highlights

PRICES are not going to run away. There will be no holocaust. This is the opinion of Washington observers best qualified to view the situation realistically. Prices naturally spurt when controls are removed or are weakened but, if conditions favorable to all-out production are maintained, the rise in most items soon will be checked.

The second War Powers Act still is on the books. The Treasury and the Federal Reserve have far-reaching authority. The public debt is certain to be put upon a more manageable basis. The approval of the British loan has had a stimulating effect. With sensible restraint on the part of labor, business and the consumer, no reason is seen why the country should not weather the storm of an economic equinox.

Bowles Was Vulnerable

Most Washington economists were not blind to the imperfections of OPA. Of one thing they are certain, the administrator should not have other political irons in the fire. That made Mr. Bowles particularly vulnerable. OPA failed to grasp the practicalities of production and distribution, the most effective safeguards against inflation.

That feeling toward OPA has developed since V-J Day. Nearly everyone on Capitol Hill is willing to admit that OPA did a pretty thorough job during the war. The organization, however, never seemed able to adjust itself to peacetime conditions. It put great reliance on delay. If a justifiable price increase could be stalled a month it was looked upon as a gain. As a matter of fact, it was retarding production which would have meant more than the price increase that had to be granted anyway.

Strong convictions are a luxury few executive branch officials can afford. They have a red-flag effect on Congress. Legislators do not hold in high regard messianic figures claiming to be the defenders of their constituents.

As prices increase they generate the forces that will bring them down. It would be too much to expect stable prices after the worst war in history. The curve of prices is certain to be a very jagged line. There is a feeling, however, that the peaks will not go too high nor the valleys too deep. Nearly everyone agrees that a recession is certain to come, sooner or later. Some are of the opinion that it will be something like that of 1937. There are a few who think prices are likely to go to the

TRENDS



OF NATION'S BUSINESS

point where the break, when it comes, will be worse than in 1920, and that the one of 1937 would not show on the same chart.

As long as price increases do not exceed the percentage of payroll increases in business and industry, no outcry from other than extremists is regarded as likely. As soon as prices pass the payroll-increase mark, resistance is expected to begin to take form. If that reasoning is correct, it means that buyers generally will not begin to hold back until price levels advance by some 20 per cent.

The flood of telegrams demanding restoration of OPA really had little effect on the legislative situation. Persons elected to public office have their own very efficient ways of gaging public opinion. In this case they knew that the number of voters who are tired of controls and regimentation is probably greater than those who want OPA extended without change. It is difficult to throw a scare into Congress. The lawmakers realized that they were handling an explosive matter and that they would be in trouble if prices were to run away, but most of them were willing to gamble that higher prices would bring about no work stoppages as the President predicted. They admitted that prices would rise. But so would production. In the case of most items they feel sure that production soon will check the price rise.

There also was lack of confidence in the whole OPA setup. It was doubted if the organization had the competence to handle a complicated bill or could be trusted to follow a broadly phrased mandate.

Soft Goods Have Been Booming

While the manufacturers of durable goods have been wrestling with strikes and the aftermath of strikes, the producers of non-durables have been making hay. Comparatively speaking, there have been few strikes in the non-durable goods industries. Production has been at a high rate during the summer, as it was during the steel and coal strike period. Inventories have increased despite the phenomenal expansion in demand. Department store sales show an increase of more than one third this summer over the high level maintained during the summer of 1945.

Production of non-durables has been spurred additionally by price increases.

Nearly every all-time record in this type of manufacture will be broken in this calendar year,

Management's-eye-view of the Santa Fe



View from fireman's seat inside cab of one of Santa Fe's great fleet of Diesel locomotives. Engineer sits at right.

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That's why you so often find the top executives of Santa Fe at the "head-end" of Santa Fe trains. They ride in front by desire and by design to see what lies ahead.

The modern railroad executive, who has grown up with tracks and trains and who has spent a large part of his life in railroading, looks at a section of track not in terms of ties and rails but in terms of the possible improvements for better service to shippers and passengers.

Coupling long experience with mature vision, he translates new ideas into action with immediate decision which is both practical and timely.

This practical "Management's-eye-view" has led to the straightening of curves, improved roadbeds, new bridges and many other things which pay off in terms of better service for both passengers and shippers. It has led also to improvements of design and handling in the locomotives themselves.

From time to time during the next few months, Santa Fe will announce a number of new features improving its service and equipment. Watch for them.

SANTA FE SYSTEM LINES

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it is anticipated. While there was a period that was termed a sellers' lockout, it did not last long. There is evidence that purchasers are more cautious. Various textile products which have been offered at high prices as an experiment did not move and price reductions have been found necessary before they would sell readily.

Persons who are provident and who hold a large percentage of the country's savings are expected to wait for a recession in prices before buying more than urgent needs in a market where the buying power of their dollar is less than they expect it to be later. Some pressure is being taken off of goods by heavy expenditures in the service fields.

Vacation travel this summer was in amazing volume. The season began early. Some resorts in New England had more visitors in June than in a normal August. The influx later in the season overtaxed all facilities. With 12 per cent fewer cars on the road, gasoline consumption is exceeding all estimates. A much larger proportion of gasoline of premium grades is being sold than usual. These are examples where buying power is being blotted up by services and in the purchase of commodities that are in good supply. The flair for old clothing among vacationists must be having an effect on demand.

The discouraging feature of the situation, however, is the fact that a small percentage of the buyers can bid up prices of scarce articles. It is believed that prices would have to rise 20 per cent over the July 1 level before buyers would begin to hold back purchases in sufficient volume to reverse the price trend.

Unions in Bad Repute

Public relations of labor unions are in a much worse state than those of industry. It would be necessary to go back many years in industrial history to find a time when public feeling toward capital could compare with sentiment today against labor leaders and the big unions. It is apparent that the majority of the people feel that labor has abused its power, that it has been thoroughly selfish and contemptuous of the public interest.

It is a dangerous thing to deprive the public of its conveniences. To deprive it of necessities is to court retaliation that may not be tempered with reason. The railroad and coal strikes did not last long enough to interfere seriously with supplies of essentials but they brought home to the people what would have happened had they been continued for a brief period longer. As a result, the leaders of the big unions are sitting on a volcano. Public resentment is against the leadership more than against the men. It is realized that the men have little real voice in what is done and that, too, is resented.

While the press leans over backward in its news

columns to be fair, editorial expressions are for the most against the labor leaders. Yet they apparently are not sensitive to the effect of editorials on public opinion.

There is no doubt that the public feels that labor is entitled to many of the gains it has made in the past decade but some of them are likely to be lost. It would be much more difficult to obtain restrictions on union activities had the labor leaders paid more attention to their public relations.

Labor unions avoided restrictive legislation at this session of Congress by a narrow margin. This gives them another chance to bid for public support. Without it they cannot hope to continue uncontrolled.

Public Support is Being Lost

Were conditional no-strike pledges given voluntarily; were some plan for arbitrating differences put forward; were penalties exacted and damages resulting from contract violations paid for—were things of that sort done voluntarily, they would bid for public support but if this opportunity is lost another chance may not present itself soon.

This does not mean that the public official, and the public itself are not pro-worker. There is no disposition to deprive labor of any real right. The intent of public officials, and apparently of the public as well, is to couple responsibility with labor's power, to get a better distribution of wage benefits among all workers and to provide machinery for the orderly settlement of labor disputes.

Many public officials still feel that labor does not get its proper share of the national income. There is an intense desire to see the proportion change but the objective of the statesman is to see that the proportion goes all the way to the bottom and is not absorbed by ten per cent of the workers at the top.

A simple way of obtaining responsibility for labor unions would be the organization of a labor party. If candidates of such a party had to go before the electorate, the interests of the general public would get more consideration. Unity within the old parties has become difficult to attain and labor is increasingly restless in each of them. Life is moving at an accelerated rate these days. Possibly the advent of a labor party is not as remote as it would seem.

A labor party in England has brought with it a sense of national responsibility. There the old lesson has been relearned: It is a chastening experience to go to the office every day and work for the practical application of promised panaceas.

PAUL WOOTON



A black and white photograph showing three men in a field, each bent over and searching through a large haystack. The haystacks are arranged in a way that suggests a search for something small and hidden. The man at the top is looking down into a haystack, while the two men at the bottom are also searching. The background is a plain, light-colored sky.

Who says a needle's hard to find?

Somebody, probably, who looked through a haystack of figures to find a lost mistake.

Maybe it went astray between a sales check and a stock report. Maybe between the time sheet and—
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Adding-Calculating Machines and Methods

Workers Can't Eat Dollars

By HENRY HAZLITT

IF PRICES go up as fast as wages, maybe it means that unions are not doing the job for which they claim credit

IN RECENT decades, and above all in recent years, an enormously exaggerated idea has grown up of what unions can do to improve the status of labor, and particularly to raise wages. These exaggerated notions are held not only by union leaders and union members themselves, but by men and women in all walks of life. The time has come for realistic stocktaking.

What have unions actually done, what can they actually do, to improve the status of labor? What do they attempt to do beyond this



Higher pay often acts to raise prices so there is a corresponding reduction in purchasing power of all wages

that is either futile or harmful to the whole body of labor?

To appraise the useful and legitimate functions of a labor union, we might begin by considering a condition in which no labor union exists. In such a situation it is clear that large employers especially are in a far better bargaining position than the individual worker. The employer has more funds: he can better afford delays. In bargaining, moreover, he can better afford to make mistakes.

Let us suppose that a worker is really worth \$40 a week to an employer—that is to say, that the latter can employ him and make a profit on his services at that rate. Suppose, however, that the employer mistakenly offers him only \$35 a week, that the man refuses it and that the employer later discovers that he cannot employ a man or men of equal ability for less than \$40 a week. The employer has made a mistake; but the mistake costs him, usually, very little. He

loses the profit he could have made on that one man; he is deprived of that man's services; but he employs, let us say, a thousand men, and this makes a minute difference in the total result to him. The employer can easily and quickly rectify his error.

Let us now look at the same situation, however, from the viewpoint of the man who is applying for a job. He may mistakenly value his services at \$45 a week and hold out for that wage, only to find that he cannot get employment at all. Or he may correctly value

his services at \$40 a week, and refuse to accept an employer's offer of \$35 a week, only to have to wait an indefinite time, perhaps months, before he is able to find a suitable job that does pay him "what he is worth."

But time may be of the essence of the worker's problem. He and his family must eat. And if he makes a mistake in overvaluing his own services, even by a small amount, or a mistake in guessing

how long a time it will be before he finds a job at that rate, the mistake may cost him dear.

Unions do the bargaining

THE employer, therefore, is in a much stronger bargaining position than the individual worker. It is here that unions can perform their most useful function. The large employer does not have to worry very much whether an individual worker accepts or refuses the terms he offers. He does have to worry whether all his employees in a body accept or refuse the terms he offers. The question for the employer then is not whether his profits will be negligibly higher or lower, but perhaps whether he can continue in business at all.

The central function of the unions, then, is to see that their members get the true market value of their services. In addition to this, unions perform many inci-

dental services for their members—and even for non-members. When they set up a "standard union rate" for a job, and that rate is known to be actually the "going" rate, individual workers know in advance what rate for their services they are safe in asking—in brief, what the market rate is.

The individual worker is practically never in a position to influence the major conditions under which he works. If he thinks his working hours are excessive, he cannot ask for more reasonable hours merely for himself, because the individual's working hours depend on the working hours to which everyone else in the firm or factory is subject.

For similar reasons, the individual worker is not in a position to influence or bargain about the sanitary conditions or industrial hazards under which he works, ventilation, lighting, heating and cooling, lunch facilities, proper handling of grievances, and a score of other matters. These are matters that union representatives, speaking either for the whole body or a substantial body of the workers, are alone in a position to discuss with the employer with sufficient authority or power to force him to make reforms which he may be reluctant to make.

These functions are extremely important. They affect intimately not merely the wages but the daily life of the workers. But

many unions have now become very powerful. They have been built up by national policy to a position where some of them include all the workers in a nationwide industry.

In such a position the bargaining power of a union often becomes tremendous, while that of individual employers becomes relatively almost non-existent. Unions that reach this point of power have gone far beyond their legitimate functions, and have made demands which have recoiled, or will recoil, on the whole body of labor.

Seeking special privileges

THE unions' most frequent mistake has been to try to force wages for their own members above the true market level.

They can succeed in doing this only by intimidation or by actual coercion and violence. Let us see why this is so.

Suppose workers, dissatisfied with existing wages, go on strike. If in fact they were already receiving the true market value of their services, the employer can proceed to replace them with other workers willing to accept those wages.

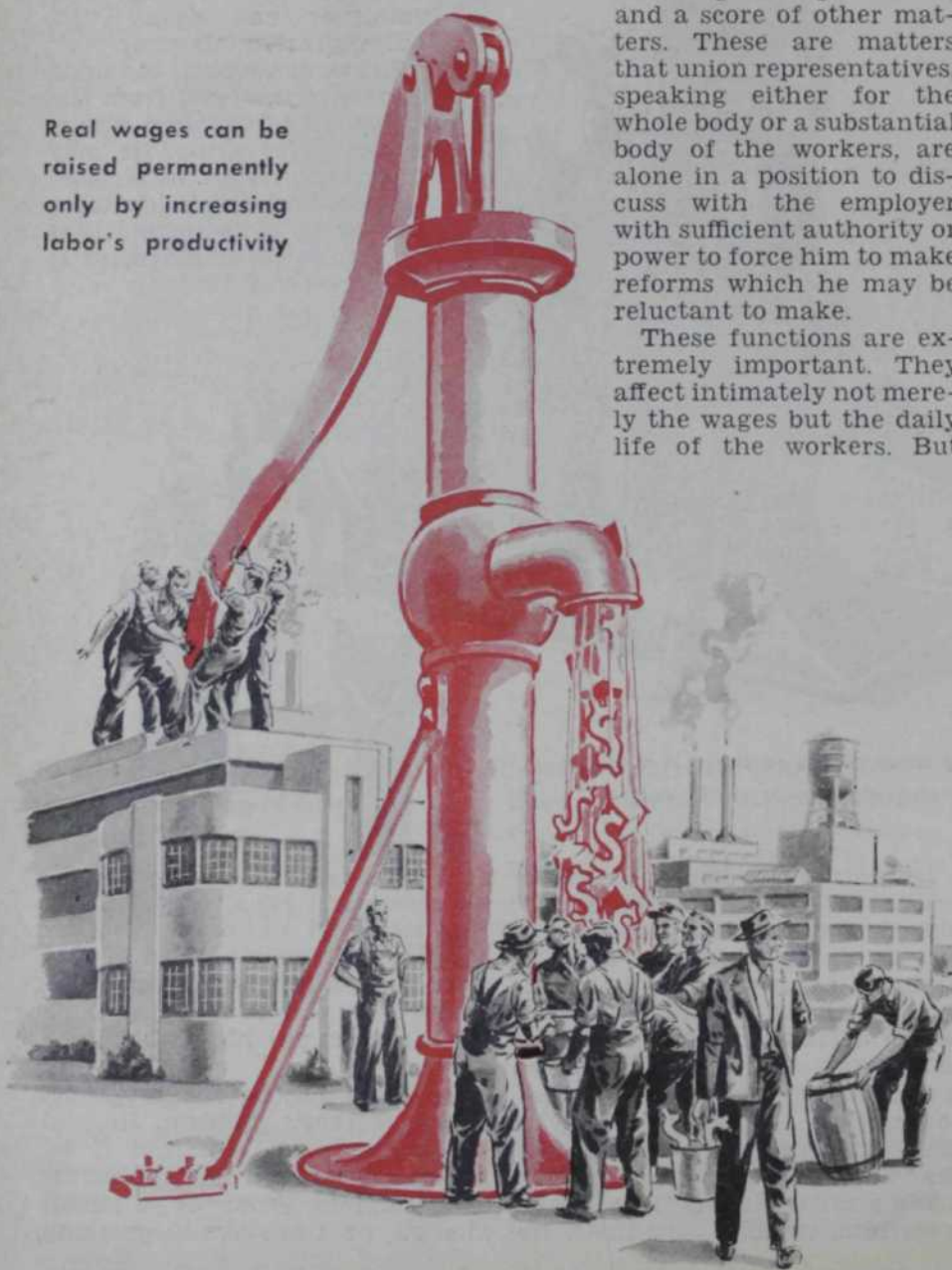
In order to prevent this from happening, the union must resort to mass picketing, to threats, intimidation or physical violence against the workers who either try to continue at their jobs or try to apply for the jobs the strikers have vacated.

But this means, regardless of what they say, that the strikers are in fact striking for a position of special privilege as against other workers. For these other workers would not be taking the jobs offered by the employers against whom the strike is directed unless those jobs gave them employment of which they were otherwise deprived, or paid them more than the jobs they were giving up.

The strikers are virtually confessing, in other words, by the very violence and intimidation they are willing to use, that they have a position of privilege to protect against other workers and that they mean to maintain this position of special privilege by force if necessary. (Sometimes public policy, as in certain provisions of the Wagner Act, protects union members in this position of privilege, and makes it unnecessary for them to use force themselves in strikes because the Government is using its own legal threat of force to pre-

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Real wages can be raised permanently only by increasing labor's productivity



Eleven Wardens for Mars

By WALTER TROHAN

FOUR TIMES in six minutes a sleek, black-haired man poked a dark-sleeved right arm into the air on a sultry afternoon in New York's Bronx which, as the interim home of the United Nations, has become the temporary capital of the world. By this action the man registered the solitary, but deadly powerful dissent of the Union of Socialist Soviet Republics against reference of the perplexing problem of the Franco regime in Spain to the General Assembly, which is scheduled to meet for the first time on American soil in September.

The hand that rocked the cradle of unanimity and ruled the day through the second exercise of the veto power reserved for the five permanent members of the Security Council, was that of 38 year old Andrei A. Gromyko, the muscled Muscovite. In the four ballots which decided the Spanish situation, Gromyko demonstrated the biceps of what wags christened "Joe Stalin's veto arm."

Gromyko defends the Soviet

DURING the afternoon he also demonstrated there is nothing wrong with his vocal cords. He spoke at length, as is his usual practice during council proceedings, in defense of the Soviet position and in denunciation of the rule of Generalissimo Francisco Franco, the Spanish strong boy. Without the shadow of a smile Gromyko maintained Russia had proved its case for ouster of Franco, one of the arguments being that the Spanish dictator has forced one party rule on Spain. Moscow papers did not please to copy the argument.

In the three months the world peace organization has been operating in the land of its birth, Gromyko is far and away the best known figure in the United Nations setup. At cocktail parties he is the center of attraction. At baseball games and prize fights he is equally the cynosure of all eyes, as the American people seek to understand Soviet Russia by fathoming the personality of her United Nations spokesman.

However, Russia and her aims are not so easily plumbed. If one



MEET the chief delegates to the Security Council of the United Nations, the men who are searching so desperately for the victories of peace to match those achieved earlier over the forces of tyranny

man holds the key to the Soviet Union it is the elusive Joseph Stalin. Nonetheless Gromyko offers a clue to what Russia expects from the new league of nations and an index to Russian official mentality.

Gromyko was born July 18, 1909, in the town of Gromyki, which is near the city of Gromel and in the White Russian Soviet Republic of

which Minsk is the capital. Gromyko is an old town and 90 per cent of its inhabitants carry the name of Gromyko.

In Russian, so UN interpreters say, the word "Grom" means "thunder". Gromyko's father was a farmer. His son turned from the soil to books at the age of seven, going into almost continuous

study, being graduated from the Institute of Economics and receiving a master's degree from the post-graduate school in Moscow in 1936. Eventually, because he specialized at one time in American economics, he was shifted to the diplomatic corps and Washington duty. In August, 1943, he became Ambassador succeeding Maxim Litvinov. At that time Gromyko was virtually unknown even in Washington. In the news stories of his appointment much was made of his youth, because little else was known about him. His youth still plagues him, once moving him to ask: "How old does a man have to be in America to be old?" In Russia purges have left few veterans in government service, so that men in their forties are mature indeed.

In Russia, too, little is made of personalities, so that Gromyko finds American curiosity about himself, his dark-haired wife, 14 year old son, Anatoli, and eight year old daughter, Emilia, difficult to understand.

On his arrival in this country Gromyko spoke almost no English. He applied himself diligently and soon mastered an impressive command of the language and a thorough understanding of it. However, in participating in Council proceedings he insists on speaking Russian, but needs no translation from the English.

Learned English from officials

In perfecting his English Gromyko called daily on numerous officials in the American State Department. He did not seek to pick up English in American homes as such a course of action would be suspect, because Russians are not encouraged to associate with Americans except officially. Russian children, for example, do not attend American schools but are sent to officially maintained schools in this country.

In the performance of his duties at the curved, blond mahogany council table, Gromyko is impassive and almost wooden. He seldom smiles. Outside the chamber he is gracious and affable. He smiles readily and laughs heartily, though rarely.

Humor is rare in the Council chamber. It has a dry, legalistic flavor. Gromyko once provoked a laugh by charging that Secretary of State James F. Byrnes and Sir Alexander Cadogan, British delegate, were "more Iranian than the Iranians" in their position on the Soviet-Iranian dispute which

(Continued on page 94)



elloso: Brazil UN PHOTO BY FOX



Nervo: Mexico UN PHOTO



UN PHOTO BY FOX
Van Kleffens:
Holland



UN PHOTO BY ROSENBERG
Lange: Poland



UN PHOTO BY FOX
Affi: Egypt





Commissioners John R. Young (hand to face) and Gen. Young explain District affairs to the Congressional Committee which is their city council

Washington— Stepchild of the Nation

By JUNIUS B. WOOD

WASHINGTON, capital of the nation and outstanding among cities for beauty and charm, is a world challenge to democracy. All Americans, with exceptions, have a voice in its administration. The exceptions are more than 1,000,000 Americans who live here and support the city.

The results are confusing and weird, often unbelievable in a country where every man is a king and a state poll tax is denounced as an infringement of the citizen's right to vote.

Even the dependable and rarely rattled Post Office Department is upset by wacky Washington. Its nerve center covers a city block with the main entrance on Pennsylvania Avenue and Twelfth Street. Customers buy stamps on the ground floor and politicians take an elevator to where postmasters general, reached through a gallery of oils and statuary, guide the destinies of the party in power.

The floor of the entrance lobby is an immense map of the world in colored mosaic with the Arctic



BATTERED ABOUT, subject to the whims of Congress, the nation's Capital remains a challenge to the democracy that we try so hard to sell to our good neighbors abroad

Ocean on the south. A heroic-sized bronze compass, also with every point exactly opposite to what it should be, covers the Pacific from Bering Strait to Singapore. To rescue rookie carriers and strangers who might chart their course from the floor display and start around the world when their destination is only a block away in the right direction, a policeman, complete with kitchen chair, interprets the map in daylight hours.

In time, even the building guards in Washington become confused. Early one morning a famous pianist appeared at the National Gallery of Art to practice for his afternoon concert. A guard blocked the entrance. After some explanation, the guard relented.

"Well, you can use the piano," he said, "but don't look at the pictures when you walk through. It's too



Washington is noted for its fine parks, but its slums also rate with the worst

early for them." For a century, Presidents have appointed agents to govern Indian reservations. They also appoint governors for our few remaining territories whose citizens, however, can and do elect local and territorial officials. In a similar manner, the President appoints three commissioners to govern Washington, whose inhabitants do not vote for anything.

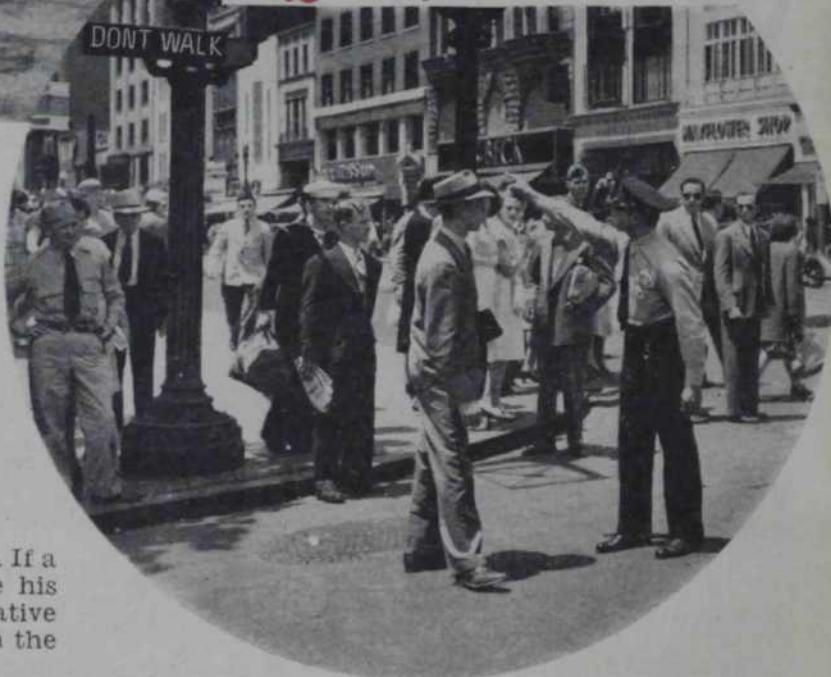
Washingtonians have become seasoned in the atmosphere of government bureaucracy—made docile by 75 years of paternal guidance. If a new arrival, missing an alderman to receive his kicks, dares criticize municipal affairs, the native sons and daughters wrathfully expel him from the hallowed precincts.

A de luxe colony

IT IS surprising that the government commentators and essayists of the Soviet Union, now merrily needling the United States on island bases and other alleged lapses from democracy, have not pounced on this shining example. Under the charter of the United Nations, territories which are not self-governing are within the jurisdiction of that world organization.

Washington, D. C., rates *de luxe* among world colonies and territories. Just now its citizens, with

all the gusto of a high school class playing at city officials for a day, are discussing a new Fourteenth Street bridge across the Potomac. The travesty on American democracy will become hilarious if Tovarisch Andrei A. Gromyko, party of the opposition in the United Nations' Security Council where all decisions must be unanimous, vetoes the bridge. In Moscow's opinion, the United States may have better use for several millions than for a bridge in its capital city—a \$1,000,000,000 loan,



Traffic pitfalls await the uninitiated. When to walk or not to walk is the question raised at many corners

for instance. The voters in 48 states elect a President and 531 members of Congress who are the ex-officio mayor and aldermen for Washington. No other city has so many aldermen so little interested in their city job. Americans not in Washington are the government for Washington. That is a system we fought to destroy in other countries.

Residents of Washington can grumble, write letters to the newspapers and appoint citizens' com-

mittees like other colonists. *Citizen*, or even *city*, may be a misnomer for a territory where nobody has a citizen's right to vote. Citizens of 23 states which have members on the Senate and House District of Columbia Committees have more influence than the residents. Voters in Illinois, Ohio and Mississippi each have three members on these committees.

Congress has the final say, but a congressman's political fences in Washington are limited to finding a place to live and overawing traffic policemen with the congressional tag on his car.

Smaller states help govern

EVEN more ridiculous—the District has a larger population than any of 12 states—each of which has two senators and one or two representatives.

Those who fear dictatorship, with its slogans of efficiency, economy, public weal and other catchwords, see it in full bloom in Washington—even though our Founding Fathers did not plan it this way. When 100 square miles, ceded by Virginia and Maryland for the District of Columbia, were surveyed in 1790, the center of population was 23 miles east of Baltimore. Ten years later, when the Government moved into the new capital, the center of population was 11 miles east of Washington. For the past 50 years, it has been in Indiana, but war migration may move it to Illinois by 1950.

Government parks and buildings use lots of water, but Congress does not mind in the least. The District pays the water bill

At first the District included the two cities of Alexandria, Va., and Georgetown, Md., the new city of Washington on the Maryland side of the Potomac and two counties outside the cities. Each of the five elected its own local officials.

Owners of unimproved land in budding Washington donated the streets and half the lots while the Government spent \$36,000, at \$66.66 an acre, for public building sites, one investment which was profitable.

In June, 1846, the portion south of the Potomac was returned to Virginia, reducing the District to a fraction less than 70 square miles.

Washington and Georgetown continued to elect their mayors and city councils until February 21, 1871, when they and Washington County were consolidated into a territorial government. At that

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Government buildings like these make Washington a beautiful city but produce no income for the city

These



The demand for Americana has multiplied prices and stripped antique shops



BREWSTER'S Millions? Small stuff, son, the way money is being tossed carelessly across counters these days. But merchants worry: "Business is just big, not good"

REMEMBER how we laughed about the \$15 silk shirts which the shipyard workers of World War I wore on their jobs, and confidently agreed it couldn't happen again? Well, we were right, it couldn't happen again . . . for \$15 per shirt.

Uncle Sam pocketed all the silk within his reach around December 7, 1941, and paid for it at the rate of \$3.08 a pound. After holding some of it until late this spring, our enterprising uncle sold it for an average price of \$11.75 a pound.

For this good and sufficient reason, silk shirts will be on haberdashers' counters this fall at \$20 and up, while silk pajamas will cost you from \$35 to wherever you care to stop.

Down in the oil country and out in the cattle lands, the fancy dans used to preen themselves with silver belt buckles costing about \$25

each. Today, a self-respecting peon would not be seen in public with anything so tawdry.

The boys are riding the range and tending the pumps in dungarees fastened with belt buckles of solid gold priced upwards of \$175, and there are diamond studded versions for the really fastidious obtainable up to \$2,500.

If a shipyard worker of 1915-1918 vintage should demand to know what's so different about things today, you would be obliged to admit, nothing has been changed much except the price. You might add—more yards, more ships and more workers also made the market bigger. World War I days seem cheap and tame by comparison.

It seems that everybody's money is in cash, tied so loosely that it can be spent at the spur of a whim. Recently, an infants' wear shop

Look closely at men's coats this winter—you'll find mink in some

received an order for a \$16,000 layette. Imagine the plight of the indulgent parents if they were blessed with twins or triplets.

A child who is born these days with merely a silver spoon between his vacant gums might be regarded as underprivileged and pitied. Infants' shops that cater to fashionable tots quote \$120 on coats made to order, and will run-up a simple frock for \$75. If mom and pop care to go all out, they can add a bonnet at \$40.

The well-dressed child of the upper income classes may be found toting around enough finery to make armored baby carriages not

Crazy Customers

By JACK B. WALLACH

only conceivable, but practically inevitable.

If you think that this sort of infants' wear shopping is exceptional, just try to get a tot's custom suit or dress made in a hurry. You'll find that you're merely next on a line that stretches beyond the ordinary mortal's imagination.

Historians may set down the opulent '40's as America's mink dynasty. Along the broad expanse of this country's starched front, a woman denied a mink coat often finds herself torn between a Renotable decision and taking a second mortgage on the homestead.

Mink ranches, some fondly supposed, would produce such quantities of pelts that mink bearing

husbands, and wolves, would become a dime a dozen. The fact is that not even by working overtime could the cooperative minks satisfy the demand.

Market for minks is high

SOME STORES along fashionable sucker falls did as much as 60 to 70 per cent of their total fur business in minks. Lately, there has been talk of minks selling as high as \$100 a skin. If you haven't noticed, it takes 20 to 30 per cent more skins than formerly to turn out a mink coat in a style that madame wouldn't reject with a shriek of horror.

One of the country's leading

fashion salons ran out of \$15,000 mink garments in the season that ended during the spring, and it apologetically offered substitutes as low as \$8,000. Of course, if your taste ran to mutation minks of the silver blue or platinum variety, you could make out a check for \$18,000 to \$25,000 and not be bothered waiting around for any change.

It should not be imagined that women are alone in the greatest spending spree since Brewster's Millions. An insurance company wrote a \$40,000 policy on one man's tie rack. And hand-painted neckties at \$25 to \$50, and more, are so much in demand that the artists who create these masterpieces of human vanity are said to be suffering from writer's cramp.

One Kansas City necktie fancier couldn't wait to come to the Big Town. He wired an order for 30 ties at \$50 each.

Once upon a time, if you can pardon old-fashioned notions of

If Mom cares to go all out
she can add a bonnet at \$40
to go with daughter's dress

Furniture is bought at outrageous
prices. The apartment goes with it

PAUL
HOFFMASTER

thrift, you could count the number of men in the average city who owned custom-made suits at \$145 to \$165 each on the fingers and toes of a family of five, and have enough left over to dunk doughnuts.

Today if you try to place an order for such fancy raiment, you stand in line, and cool your heels for several months. Many leading custom tailors are rationing their clients. (Any suit purchased at \$145 makes you a client, not a customer.)

With tear-filled eyes, the monarchs of the busheling bonanzas inform you that they must regretfully limit you to a suit and a coat. The speeding fingers of their tailors simply cannot cope with the demand.

Dinner jackets and dress suits average \$250 per copy and overcoats are currently priced from \$200 or more.

If you harbor the suspicion that such protective covering is for the few, dismiss it at once. It is an unfortunate custom tailor who is not

ing of cash has not been a purely personal matter. Yankees are buying cotton mills in the South at prices that should constitute sweet reparation for any damage done during a certain unpleasant incident in the '60's.

One southern mill owner recently sold a Northerner a weaving plant for \$4,000,000, which was just \$3,750,000 more than it cost the party of the first part. The seller stated candidly he expects to buy it back later "at what it's worth."

Cars would sell higher

THROUGHOUT the country, frenzied car seekers are besieging automobile dealers, begging them to accept bonuses of \$500 to \$1,000 above the price of a new car.

One dealer tells of countless would-be buyers who have offered as much as \$5,000 for cars on the selling floor priced under \$2,000. Another tells of a reckless fat-wad who took out a roll of \$500 bills and asked the dealer to tell him when to stop counting them out.

is worth ten per cent of the asking price. In rare cases, it may be worth up to 20 per cent.

Call it prodigality if you like, but did you and your family ever spend the night in the park?

Blood money relations of the furnished-apartment-at-a-price are some of the Johnny-come-lately cooperative apartments. Bands of unprincipled speculators have fastened their talons on whole apartment houses and bluntly issued ultimatums.

If tenants refuse to "buy" their apartments at terrific prices, they face the alternative of seeing them sold under their restless feet. The owner has the right to take possession of his property, i.e., your apartment.

To cover only one more abuse, there's the remodelled private house which has been cut up into small apartments. Two-room walk-ups are priced as high as \$250 per month, and three-year leases are insisted upon. The owners of such sucker-traps figure to recover their original investments, plus the cost of all improvements, in two years.

Vacation costs are higher

A MAGAZINE surveyed the travel market and learned that the average 1946 vacationist will spend twice as much as he did before the war. If you have had the shock of looking into resort rates, you will understand all.

Room and board are up 200 to 300 per cent over 1940's scale, but many resorts were booked to capacity before the spring thaw. Some are almost ready to close their books for 1947.

The vacationist who before the war simply had two weeks on his hands now has three weeks and an apparently limitless supply of cash. Last year, weekly hotel bills were being paid with \$500 and \$1,000 greenbacks.

This aroused suspicions as to the source of the large denomination notes, but so far as could be learned, resorts were not spurning them. One hotel proprietor confided that only retired, elderly guests paid by check.

It is hardly surprising to learn that gambling in all its myriad forms is thriving. Until we stood around the newspaper and stationery stand of a popular hostelry, we couldn't understand why the concession was worth \$15,000 for the summer season.

The concessionaire booked bets on all the tracks. Newspapers, magazines, cigars, cigarettes and

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Owners of sucker-traps like this plan to get back their investment within two years

sold up for the next eight months or longer.

Don't look now, but next winter you'll be seeing men's fur-lined coats in prodigious numbers, and we are betraying no secret when we reveal that mink won't be an exclusively feminine prerogative.

Civilization's greatest outpour-

If you're desperate for a house or an apartment, you may be compelled to buy thousands of dollars worth of furniture you don't want.

In some of the larger cities, two to six room apartments are offered with \$5,000 to \$15,000 charged for furniture and furnishings. It is the consensus that this chattel seldom

A Tour of the Leftist Press

By EUGENE LYONS



IN THE matter of reading, as in travel, there are main-line riders and adventuresome tourists. If you're an average American, the chances are that you rarely stray from the newspapers and magazines whose general viewpoints you share. In their pages you feel cosily safe, scarcely aware that there is a world of strange publications, filled with bizarre ideas and unfamiliar problems.

Beyond the routine scenery of your favorite reading matter stretch tempestuous landscapes of journalism, where exotic philosophies bloom and curious political animals roam. In that sense this article is a kind of travel piece. It will take you on a brief conducted tour through the radical press of the country, just over the horizon of solid conservatism.

It is a region in which Marx, Stalin and Lenin are mentioned far more often than, let us say, Bing Crosby or Joe DiMaggio; in which Communists, Socialists, Trotskyites, Syndicalists are not "just a lot of Reds," but have clear-cut identities; in which "liberals" and "progressives" struggle tooth and claw for the right to sport those hallowed titles.

The journey is worth the time and effort, because the leftist press,

SELF-STYLED liberals often turn out to be more faithful to the advocates of totalitarian ideology than to the ideals of democracy

though small and relatively isolated, has a greater effect on American life than most people realize. Measured in terms of circulation, the radical press seems negligible. But its influence is vastly out of proportion to its readership. Notions propagated in its pages have a way of spilling over into the wider, non-radical press and into the nation's thinking generally.

Second-hand propaganda

INDIRECTLY the radical publications touch millions of minds—most likely yours among them. They enjoy what is technically referred to as immense "secondary circulation." A radio commentator or editorial writer who takes his cues from the leftist periodicals transmits them, consciously or otherwise, to millions of persons who never heard of those periodicals. A clergyman who reads a party-line weekly like the *New*

Masses may smuggle some of its lingo and bias into his next sermon. Or some college professor, reading the quarterly *Science and Society* in blissful ignorance of its pro-Communist orientation, may be a mental germ carrier to his classes.

The circulation of the radical press is not *extensive* but *intensive*. For good or ill, it has a powerful impact on the thought and emotions of our "opinion makers"—radio commentators, editorialists, lecturers, teachers, preachers, legislators and the like. As a result the total influence is substantial; at times, indeed, it may prove decisive. The more extreme of the New Deal proposals, for instance, could be traced to the pages of comparatively obscure Socialist and ultra-liberal publications.

The conducted tour is not as easy as it would have been a generation or so ago. At that time one could identify and catalog the press more or less from Right to Left: from the

reactionary-conservative or mildly progressive journals, through the moderate Socialist varieties, to the violently Communist and crackpot. That idyllic time, alas, has gone with the wind of new social conflicts. It is becoming ever more difficult to distinguish clearly between reactionaries and radicals; and among the radicals themselves the confusion is fantastically confounded.

The worst of it is that one can no longer trust the road signs. Old political tags have lost their original meanings. Some of them have been hijacked to camouflage movements representing the very opposite of the ideas implied by the label. Self-styled "liberals" and "progressives" too often turn out to be passionately antiliberal, and are progressive only in being modern stooges of Stalin rather than old-fashioned followers of Marx.

"Liberals" no longer liberal

WHEN words still had sensible meanings, the regimes in the Soviet Union and Soviet-held Eastern Europe could not conceivably have been described as liberal. In so far as they repudiate individual freedom and civil rights, they would have been vigorously opposed by people professing to be liberals. Yet the most effective defense of those regimes abounds today in journals that call themselves liberal, like *The Nation*, the *New Republic*, *The Protestant*, *In Fact* and Marshall Field's New York tabloid *PM*.

And for the most effective anti-Soviet and anti-Communist propaganda, we must turn not to orthodox capitalist periodicals but to Socialist weeklies like the *New Leader* and *The Call* and to leftist labor papers like *Justice*, published by the International Ladies Garment Workers Union.

The most confusing experience, as you proceed with the tour, is to find one set of radical writers and editors denouncing the others as "totalitarian liberals" and "crypto-Communists," only to be castigated, in turn, as "reactionaries," "crypto-Fascists" and plain "red-baiters." The thunder on the Left, you discover, is directed less against capitalists and conservatives than against dissenters in the radical areas.

The deepest cause of this division and confusion, of course, is Soviet Russia. Differences on all other issues do not necessarily imply deadly feuds. But disagreement on the Great Experiment in Russia means a battle to the death. Writ-

ers with a common mental ancestor in Karl Marx may consort with all kinds of people, including forthright advocates of free enterprise. But if they do not see eye to eye on the Soviet question, they will never, never consort with one another.

Consequently you will find Southern Democrats like Senator Claude Pepper, and corporation lawyers like Joseph E. Davies in the pages of the *New Masses*, *Soviet Russia Today* and other Communist mouthpieces. Republican stal-

tour, the most easily recognizable, is the out-and-out communistic press. Both in numbers and aggregate readership it is the largest bloc with plenty of margin to spare.

When you've read one of them, you've read them all. For they never deviate from a rigidly prescribed set of slogans, goals, pet heroes and favorite villains. These may be changed or even reversed overnight. Such a switch in the "Party line" took place recently, immediately after the end of the



The Leftists' thunder, one discovers, is directed less against conservatives than against their own dissenters

warts like Clare Boothe Luce, and Democratic spokesmen like Senator Robert F. Wagner are welcomed in the Social Democratic *New Leader*. A Dean of Canterbury and other divines contribute to the weekly *New Masses*, which could hardly be called a clerical journal.

But you will find no Socialists in the Communist press, no Communists in the Socialist press. Never the twain shall meet—except, as in the Russian zone of Germany, under the persuasion of bayonets. It is important to grasp this fact in any study of American radical journalism and its effects on the country's thought and temper. In the past, magazines on the Left could be grouped according to their economic views and political programs. Today they must be classified in the first place according to their tolerance or detestation of Stalinist Russia at home and abroad. That has become the acid test.

The most obvious sight on our

war. Until then the line had required soft-soaping of "class enemies" and soft-pedaling of revolutionary purposes. It had been moderate, patriotic, opposed to strikes, friendly to Britain and the U.S.A. With the achievement of victory, when Anglo-American good will could be dispensed with, about-face orders came through Moscow spokesmen. Today the official line is once more ultra-revolutionary, tough-talking, anti-British, anti-American, anti-capitalist.

Following the party line

BUT whatever the line of the moment, the Communist press follows it in goose-stepping formation. That press includes two English-language dailies—the *New York Daily Worker*, with a claimed circulation of 22,000 weekdays and 70,000 Sundays; and the *San Francisco Daily People's World*—and a number of foreign-language dai-

lies. It boasts several weeklies, the most important of which is the *New Masses*, circulation probably around 20,000. The most important of the Communist monthlies is *Soviet Russia Today*. Party publications in foreign languages roll up an aggregate readership far exceeding the total English circulation.

The candidly Communist press, however, is only the spearhead of a powerful journalistic phalanx. The broader ranks at the rear are composed of publications that toe the party line in all essentials while claiming vociferously to be independent. In some cases they honestly think themselves independent; in others the claim is calculated to gull innocent readers.

Shuffling behind these disciplined ideological formations, a bit embarrassed and more than a bit confused, are the so-called liberal gazettes. In general, these follow the line but they are likely to straggle and lose their ideological bearings under stress; the Party sergeants are obliged to bawl them out from time to time.

To the uninitiated tourist, of course, all this may sound a little far-fetched—the life and customs of a foreign country always seem rather incredible. There are still innocents who doubt the existence of any such array of outright and associated communistic publications.

Professing independence

THE essence is that in publications where the Party has a hand or provides the guidance, the customers are not taken into confidence. On the contrary, they are artfully led to believe that they are reading "independent" and "progressive" stuff, when in fact they are being tube-fed the Muscovite propaganda. When accused publicly of Communist connections, these publications act hurt and threaten reprisals. The measure of the success of such camouflaged periodicals indeed is the extent to which their readers remain unaware of the real political direction.

In any case, an outsider can only judge by the contents. If fellow-travelers are prominent in the columns, if the editorial slants coincide with the twisting and turning party line, if in its pages Stalin is always right and the USSR always gets the benefit of the doubt as against the USA, then it can be safely surmised that the magazine belongs in the Communist line-up.

Perhaps 100,000 Americans each

week read a vituperative four-page dope sheet called *In Fact* under the misapprehension that they are getting independent and "liberal" inside stuff on public affairs and personalities. Not many of them know that since its birth in May, 1940, this sensational brochure, edited by George Seldes, has wiggled along the convolutions of the serpentine political "line" for American fellow-travelers.

In Fact, for example, was violently opposed to the "imperialist war" until the day Hitler struck at Russia, after which it became no less violently interventionist.

The Protestant, a monthly, originally called the *Protestant Digest*, combines hatred for Catholicism with fervent love for atheist Russia—a combination that, by some strange logic, makes it the darling of some "progressive" clericals. Its editor, Kenneth Leslie, claims a circulation of around 30,000. Since he caters to religious folk, Leslie sometimes strays a bit from the party views, but not enough to offend even the more sensitive comrades.

Defense of Russia

THE Protestant, which is highly selective in the objects of its criticism, came through nobly for Stalin's secret police with a defense of the Soviet execution of the two famous Polish-Jewish labor leaders, Ehrlich and Alter. It constantly assails critics of red

totalitarianism as red-baiters. It unloads brimstone and fire on Spain and Argentina, but has not yet gotten around to protesting against worse dictatorships in Russia and Yugoslavia. It demands that American troops be recalled from China—but nary a word about the recall of Soviet forces from Poland. It has "exposed" General Bor, the heroic leader of the Warsaw anti-Nazi uprising. Moscow's puppet government, it assures its clientele, is "bringing true freedom to Poland." "Stalin, Architect of Peace" is a typical Leslie title and article. His magazine, of course, had kind words for the Hitler-Stalin Pact.

Other publications leaning far to the left include *People's Voice*, "the New Paper for the Negro," edited by Dr. Adam Clayton Powell, Jr., a Harlemit prominent in fellow-traveling society. Its contents run remarkably parallel to those of the *Daily Worker*. The pro-Soviet *Amerasia* came into the limelight last year when its editor, Philip Jaffe, who has been active in various Communist causes, was charged with the unauthorized use of top-secret State Department information. He pleaded guilty, paid a fine and his *Amerasia* continues to champion Soviet, and denounce American policies in Pacific areas.

A newly launched magazine of the digest class, *Reader's Scope*, has been accused of following a Stalinist editorial line. It is said to

(Continued on page 100)



It is difficult for fellow-travelers to keep their balance on the party line—it sways so

Our

AIR TRANSPORT companies and aircraft manufacturing industries have the country's 4,000-odd airports wondering how they are going to be able to meet the coming onslaught.

Within five years the number of air passengers is expected to reach seven times the 1940 peak. It is estimated that air freight will total 500,000 tons annually—ten times the 1940 haul.

Manufacturers of private planes are training their sights on 6,000,000 potential buyers. Production plans anticipate 400,000 privately owned planes by 1955.

A strong move is under way to send by air all first-class mail going more than 100 miles.

New air services are springing up and old ones are reappearing—skywriting, illuminated advertis-

Tomorrow's airport will be designed for flexibility—and all facilities will be integrated to meet the demands of travelers

The overcrowded waiting room of Chicago's busy Municipal Airport has seats for only 28 persons



Toonerville Airports

By PAUL D. GREEN

**RICH in pilots and planes
but poor in the facilities
with which to operate—
That's the picture today**

ing from planes, dusting farms with insecticides, sight-seeing, flight instruction, flying salesmen. By 1960, these operations are expected to triple.

Before air commerce can reach its full stature, however, our national airport facilities must not only be greatly expanded and improved, but the number of airports at least doubled.

Robert Ramspeck, executive vice president of the Air Transport Association, representing 24 domestic air lines, says:

"There is not one adequate air ter-



The ticket counter is a bottleneck that no one enjoys

minal in the United States at the moment."

C. Bedell Monro, president of Pennsylvania-Central Airlines, is even more emphatic:

"A woeful lack of an adequate nation-wide airport system is retarding seriously the development of air commerce and air travel throughout the United States."

Former comptroller of the city of New York, Joseph D. McGoldrick, in a survey sponsored by the A. T. A., corroborates these opinions.

"Hardly any of the fields I visited," he said, "come up to the requirements of their region, and many of the terminal buildings are far from first-class."

Congress recently showed its concern over the situation when it approved the Federal Airport Act. This Act authorizes \$500,000,000 to



be spent by the Government in the next seven years for construction of 3,025 airports and the improvement of 1,600 more in line with recommendations made by Civil Aeronautics Administration after a national survey. This sum is to be met equally by states and apportioned to municipalities according to their immediate requirements, populations and areas served.

Of the new fields, 2,900 are planned to meet the demands of private plane operators, charter, feeder and non-scheduled lines. In the opinion of Walter Piper, president of the Piper Aircraft Com-

pany, even this total falls far short of actual needs. He envisions a network of some 18,000 airparks blanketing the nation to handle the personal plane traffic expected within a decade.

Not more than a half dozen major airports are now under construction, while more than 100 are needed urgently, according to CAA. Yet airline passenger service is taxing airport facilities to the utmost. Many major terminals, like those in New York, Washington, Chicago, Detroit and Los Angeles have approached or reached their capacities within the past few months.

The great expansion of aviation is being met by adding a new runway here, a new terminal there, a few new hangars at this field, and a taxiway at another. Handling methods have been streamlined to step up the pace of operations without sacrifice to safety and service—such steps as towing a plane to the apron and turning it around by towing.

To meet the postwar flying era, federal, state and municipal agencies have been drawing up plans for the past two years. Some of these plans, formulated after great effort and study in 1944, were already found inadequate on several counts because of the unexpected advances in air traffic, and new approaches have been adopted.

★ ★ ★

A NEW CONCEPT in airport planning has resulted from recent studies—the master airport plan. Twenty-five cities have already completed or are finishing such plans. A master plan takes in an entire region surrounding a community, embracing a score of towns and a dozen or so counties. These
(Continued on page 86)

Eating places must be large enough to take peak loads

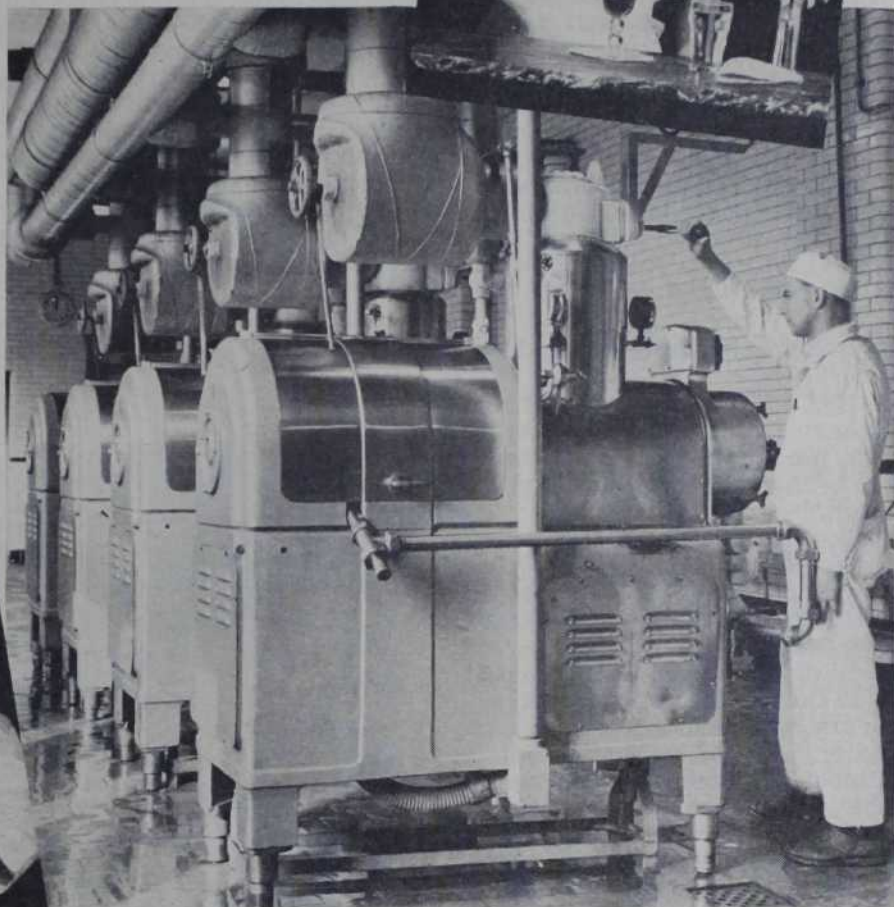
Watching plane arrivals and departures from the large and comfortable waiting room (with outside observation walk) in America's most modern airport terminal at Washington, D. C.

GEORGE LOHR

4,000 QUARTS Every Minute

By C. LESTER WALKER

SINCE 1700 when the governor of Maryland startled his guests by serving ice cream, the industry has skyrocketed to major proportions



Spotless and glistening, these modern continuous freezers make ice cream in an unending ribbon—like toothpaste from a tube

I THINK that any account of the ice cream business should begin by stressing the fact that the American appetite for this ambrosia is no trivial matter.

Every year Americans eat about 500,000,000 gallons. That is a lot. And if you will pile it all up it is quite wonderful. It is big enough to ski down—an alp a quarter of a mile around at the base and 150 feet high!

It is nice to report, too, that this tremendous American appetite for ice cream can be traced, quite appropriately, back to the colonial fathers who brought the first knowledge of ice cream making with them

from across the Atlantic Ocean.

One of the earliest references to ice cream in America is in a letter written in 1700 by a guest of Governor Braden of Maryland which told of being served "a dessert no less Curious; among the Rarities of which it was Compos'd, was some fine Ice Cream which, with the Strawberries and Milk, eat Most Deliciously."

By the time of the American Revolution this delicacy had been popularized and advertisements appearing in the *New York Gazette* in 1777 offered to "serve the Ladies and Gentlemen of this garrison, upon the most favorable terms,

with ice cream." British Redcoats were stationed in the city at the time.

On the Continental Army side, George Washington served this dish at Mount Vernon. Gen. Anthony Wayne, hero of the Battle of Fallen Timbers, sang its praises after returning from a campaign.

Then one summer's day in 1813, Dolly Madison, the wife of the fourth President, served ice cream at a state function in Washington.

"Introduced this confection to Washington Society," was the way the papers reported it. They also noted: "the flavor was strawberry."

Considering the heaven-bestow-

ed nature of the product, the industry got off to an unbelievably slow start. For almost 40 years after Dolly Madison, only retailers—and confectioners, at that—made and sold ice cream. There was not a wholesaler in the country until 1851.

Then (it was in President Millard Fillmore's reign) a Mr. Jacob Fussell, a Washington, D. C., milkman, started wholesale manufacturing. He had a reason that sounds quaint today. He wanted a way to use up his *surplus dairy products!* (The Fussell Company, incidentally, is still in business in Washington.)

Fifty years after Fussell started, you might suppose that ice cream would be on every American tongue. But no—it was still in the "home industry" category; mostly the product of little confectioners in the towns and little dairies lost among the cloverfields. And heaven knows what would have happened to America if Harvey Miller hadn't come along.

Brine helps freezing

MR. MILLER, an Ohioan, invented the brine freezer. That led to large-scale production. And that led to the conquest of America by ice cream.

Of course, large-scale production had some help along the way. The ice cream business is a business of surprises. It always has been. Something new and unexpected has always been popping up in it to catch the American fancy and palate and whirl ice cream sales even higher.

Robert M. Green, a Philadelphia soda water manufacturer, is generally credited with having introduced the ice cream soda in 1874

at the semicentennial at Franklin Institute in Philadelphia. Another account gives credit to Fred Sanders of Detroit. In 1875 Fred substituted ice cream for sweet cream when the latter had soured on an especially hot day, and turned up with an ice cream soda.

In 1904 came the first cone. It appeared at the St. Louis World's Fair. It made a sensation. The cone was hailed as the most important contribution to the amenities of eating since the invention of the fork. People from the Statue of Liberty to the Golden Gate went home and raved about it and about what went on top of it; and ice cream, overnight, skyrocketed.

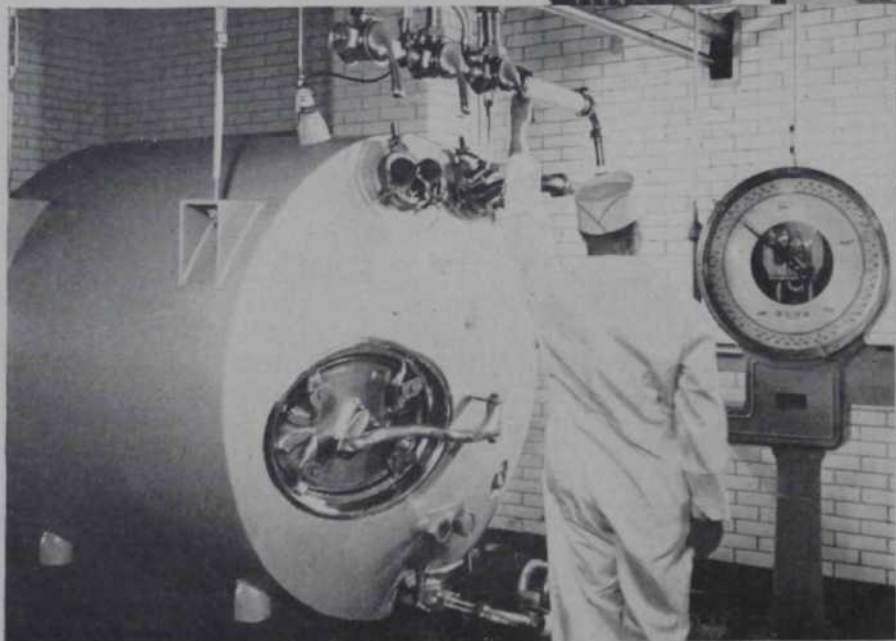
Then what should come along but the sundae—with, of all things, a religious origin! In Evanston, Ill., the young blades of the town were frittering away so much of the Sabbath at the soda fountains that the town fathers became alarmed. They passed an ordinance that for-

bade sales of ice cream sodas on the Lord's Day.

The fountains then served "Sunday Sodas," which had everything except the soda. The customers liked them so much they started asking for them on Mondays, saying, "Give me a Sunday." When the god-fearing folk objected to a dish being called after the Sabbath, the fountains changed the spelling to *sundae*. But that didn't change the demand. That kept right on rolling over all the woods and templed hills.

A product of depression

EVEN in the winter of 1921-22—considered in those days a depression period "when nobody would buy anything"—the ice cream industry broke out with a fantastic, skyrocketing surprise. This was that rapturous, chocolate-coated, Elysian creation called Eskimo Pie. A baker first put it on the market



Each batch of ice cream is scientifically tested for its purity and content

An important phase of ice cream making is skillful mixing of all ingredients

Blood Pressure, like steam pressure



in a

boiler, goes up and down, so don't worry if yours is tempo-

rarily high,



particularly during periods of stress.

However, if it frequently gets *above normal, or stays there,*

the heart



must work harder and ultimately may be

impaired. The blood vessels are also put under greater

strain which may affect brain, eyes,



kidneys, and other

organs. Fortunately, medical science is on the march



against high blood pressure.

When caught in time, high blood pressure may be controlled or possibly eliminated.

The likelihood of having high blood pressure may be lessened if you follow your doctor's advice as to normal, healthful living and have regular, periodic medical examinations.

If an elevation of the blood pressure develops, these examinations will detect it in the early stages and permit measures which may keep it in check. Your doctor may advise as to diet, rest, reasonable exercise, elimination of infections, avoidance of continued mental or physical strain, and *getting weight down to normal.*

Medical scientists are continuing to study new methods through which high blood pressure may be even more effectively combatted. Some authorities be-

lieve the kidneys play a vital part in certain high blood pressure cases and that these patients may be helped through special diets and limitation of liquids. New surgical techniques at times have proved effective for selected cases. Psychotherapy is another method under consideration. There also is hope that new drugs may be developed which will be helpful.

One hundred and forty eight life insurance companies have formed the Life Insurance Medical Research Fund. This group is making grants to help finance research projects relating to diseases of the heart and blood vessels, including high blood pressure.

To learn more about high blood pressure, its effect upon your heart, and how to guard against it, send for Metropolitan's free booklet, 86-P, "Protecting Your Heart."

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker,
CHAIRMAN OF THE BOARD

Leroy A. Lincoln,
PRESIDENT

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TO EMPLOYERS: Your employees will benefit from understanding these important facts about blood pressure. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards.

TO VETERANS—IF YOU HAVE NATIONAL SERVICE LIFE INSURANCE—KEEP IT!

in Milwaukee and Chicago. In 60 days it had 100,000 retail handlers. In 90 days Americans were eating 4,000,000 Eskimo Pies daily. Ice cream had done the unheard of again. A "seasonal" product had turned itself into a round-the-year commodity.

And what do we have today? Same thing: an industry of incessant wonders and surprises. Things are going on in it that even the six-helping ice cream eaters could not dream of.

Take, for example, its size. The business is fairy-tale-like in its immensity. How many of you ice cream gourmets, who help put away 4,000 quarts in every minute of every day, are aware that, to keep this divine nectar cooling the great American palate, the industry buys a Mississippi of milk every year—about 6,000,000,000 pounds in 1945!

Every year for ice cream alone 70,000,000 pounds of fruit ripen in the American sun. Thirty million pounds of strawberries and 13,000,000 of peaches are included. Nine million pounds of nuts go into it and onto it—7,600,000 pounds of pecans alone.

Most flavored food

THERE are more flavors than any other food of man ever known. More than 150 were listed one year—some of them gems of creative fancy, such as cantaloupe, apple betty, coconut-pineapple, date nut, green gage, plum pudding, pumpkin, root beer. Three were mystery flavors: butter brickle, diabetic, and Chicago! And California, it is known, goes in for avocado ice cream, and Alabama for sweet potato.

But even so, the old favorites still rule the national taste. Vanilla accounts for 51.26 per cent of all the American ice cream sold. Chocolate claims 16.36 per cent, and strawberry 7.95. After them string along butter pecan, peach, maple, cherry, pineapple and coffee.

Ice cream's ingredients today are another thing to surprise most people. The American who "knows what's in ice cream" because he used to turn the hand freezer in the barn on Sundays would scarcely understand a group of ice cream manufacturers if he overheard them talking shop.

"Serum solids," they say. "Carageen. Stabilizer. Overrun."

Well, serum solids are kinds of whole food particles in milk, and most American ice cream (which is usually 80 per cent total milk products) contains about 20 per cent of them. They contain the protein,

minerals and calcium that are so good for the ice cream eater.

Stabilizer is the gelatine that gives modern ice cream its good texture. It coats the butterfat particles and keeps them from packing down. Without it your flavor would be full of icicles. Some stabilizer is animal gelatine, some vegetable. Carageen is the oddest. It comes from a sea weed which is dredged from the cold ocean floor off Nova Scotia. Like other stabilizers, about a spoonful goes into each gallon of ice cream.

The "overrun" which ice cream people talk about is the air they whip into the ice cream. Without it ice cream would be as palatable as bread without yeast. Just a solid frozen chunk! Your best and smoothest ice cream is therefore about 50 per cent free air!

Cream isn't all

HOW much actual cream? American ice cream has plenty. The various states specify how much—what minimum—of butterfat must go in. Usually it is from ten to 12½ per cent. Some makers go higher. The Schrafft's restaurant chain once made an 18½ per cent product.

But—a curious thing—extra high butterfat content doesn't necessarily make the best-tasting ice cream. Often what determines that is the proportion of all the ingredients and the expert way the ice cream is made.

The making, today, is one of those things you usually see only in dreams about Wizard of Oz Land. The method, the latest, is known as the "continuous freezer process." It is one of those wonders of the industry which you would think all the great ice cream gourman-dizers would know about. But they don't; so here's what happens:

Everything from start to finish is glittering tile and stainless steel—that sort of thing. The ingredients first are put into a pasteurizer. Even though, like the milk and cream, they may have been pasteurized before. Air, carefully controlled, is then let in.

Thirty minutes later, completely mixed and sterilized, everything moves on through pipes to a machine that homogenizes. That is, 3,000 pounds of pressure break up—almost atomize—all the butterfat particles, so the ice cream will be smooth.

It passes through a cooler, through a holding tank, and then into a freezing tube which is surrounded with refrigerant. Inside, revolving blades beat it, and as it freezes, they pull it along. Ten seconds later it comes out, a continu-

ous cylinder of ice cream—like toothpaste out of a tube. Containers take it—at the rate of 1,000 gallons an hour, or enough to serve 24,000 persons!

This *fantasia* is one reason that the bulk of American ice cream is made nowadays by large operators.

And, typically, other revolutions are in progress. The quick-freeze process for foods is changing the ways of flavoring. Tons of these "frosted" fruits now go into ice cream.

Other fruits get their flavors in, new style, in the form of *purees*! Black raspberry, for instance, is one. One minute from the sun-warmed vines, the black raspberries go through an extractor, the same as is used to make tomato juice. All seeds and air are removed; and the resulting *puree* is then frozen in 30 pound cans at ten below zero.

Curiously, for a reason unknown, the *purees* hold both their flavor and color better than the uncrushed frozen fruits.

The ice cream of the future? Same as before—an industry of infinite surprises.

A Los Angeles company is already manufacturing vitamin-enriched ice cream. It has all nine vitamins and can be stored for months without deteriorating.

Then you can expect mineral-reinforced ice cream. Phosphorus will be one of the diet-needed ingredients.

Penicillin ice cream is another future certainty. Just for the sick, of course.

Sales may be in new forms

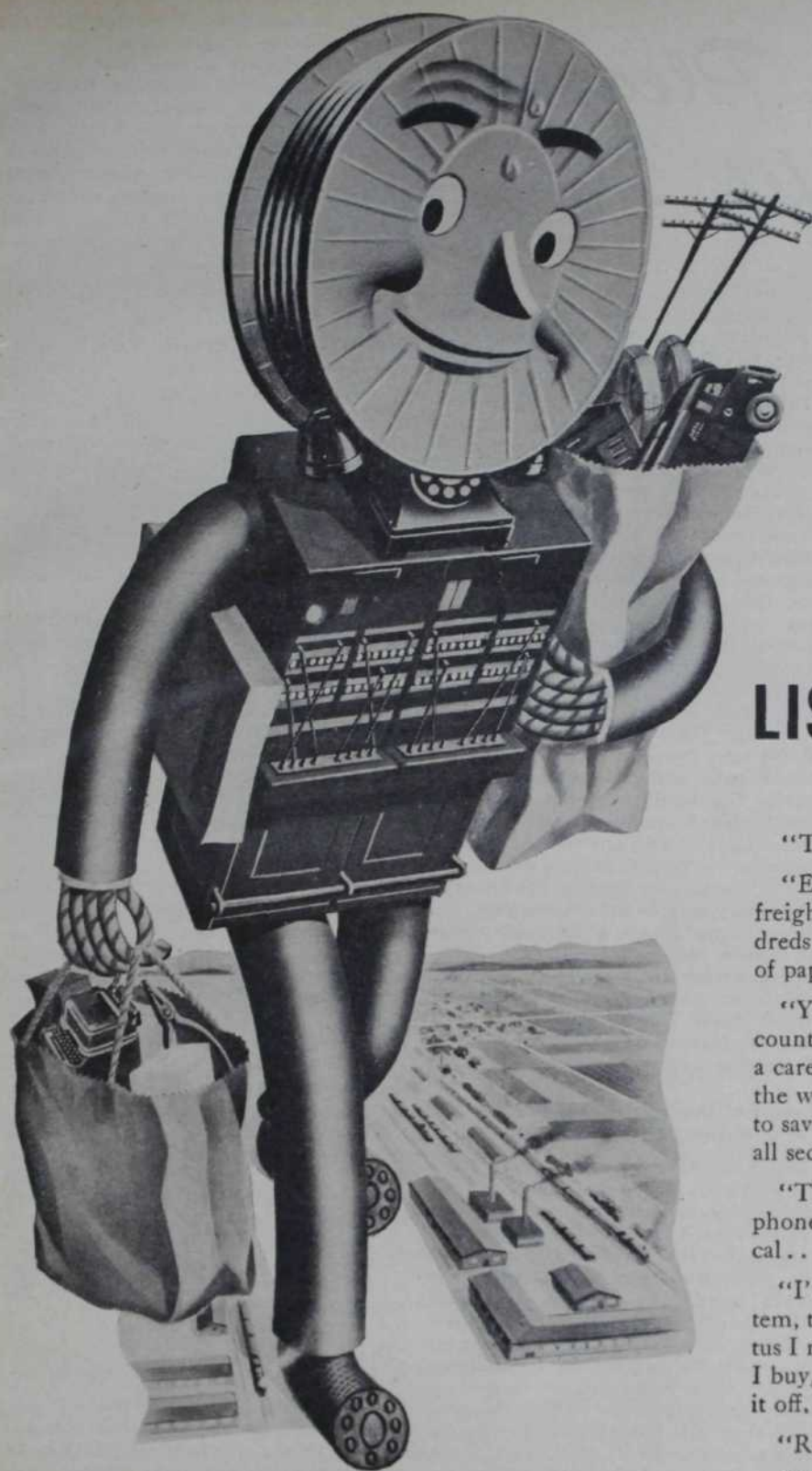
AND the ice cream of tomorrow may be sold differently. Drug stores lead in its sale now (28 per cent) but groceries and bakeries are going to vend a bigger share.

Another change, the industry expects, will be bulk sales to individuals. The American ice cream enthusiast will fool around less and less with pints and quarts. He's going in for gallons at a time!

On the other hand, the American who eats his ice cream at the soda fountain stool may find "bulk" on the wane. His serving may soon come prepackaged: a slice or a cube. Portions for cones can be individually wrapped, like a lollipop.

This trend may lead to ice cream vending machines.

The whole ice cream industry at this date is dreaming dreams and seeing visions. It has set its eyes on 1955 and a particular goal. It intends that by that date Americans shall be eating 1,000,000,000 gallons a year!



"Speaking of shopping . . .

LISTEN TO THIS!"

"The things I find myself buying! . . .

"Enough paper clips in a year to fill a freight car . . . telephone poles by the hundreds of thousands . . . tons and tons and tons of paper for your telephone directories . . .

"You see, I'm the 'shopper' for the country's Bell Telephone companies. I'm a careful buyer . . . study markets all over the world . . . I get the best and know how to save by buying in large quantities from all sections of the country.

"That's one reason why our nation's telephone service is the world's most economical . . . as well as the world's best.

"I'm the *manufacturer* for the Bell System, too. I *distribute* the telephone apparatus I make, and all manner of supplies that I buy, to the telephone companies. To top it off, I *install* central office equipment.

"Remember my name . . .

"It's Western Electric."

MANUFACTURER... PURCHASER...

of 43,000 varieties of telephone apparatus.

of supplies of all kinds for telephone companies.

DISTRIBUTOR...

of telephone apparatus and supplies.

INSTALLER...

of telephone central office equipment.

FOR THE BELL



SYSTEM



Western Electric

Reading for Pleasure or Profit...

"Economic Stagnation or Progress"

By Ernst W. Swanson and Emerson P. Schmidt

IT IS strange but true that for the past 14 years the American Government's economic policy has been dominated by the ideas of an Englishman, Lord Keynes. When he died some weeks ago, many, reading the obituaries, were led to wonder about this little-known but epoch-making infiltration. Fortunately, soon after that, a book appeared which is entirely devoted to the scrutiny of Keynesian notions.

Under the warning title "Economic Stagnation or Progress" (McGraw-Hill, 330 West 42nd Street, New York; \$2.50) Ernst W. Swanson and Emerson P. Schmidt vigorously attack the "mature economy" thesis, "deficit spending" and, generally, the new high hand which government, on the inspiration of Lord Keynes, is taking nowadays in business. Their book is, actually, the result of a request made long ago by Herbert Hoover that someone should undo the tangle of modern economic ideas.

Swanson and Schmidt premise their argument on the idea that an economy is, with minor exceptions, a natural thing, like the rabbit, which grows and reproduces best when left alone. The root of evil, they say, is government interference. Without that, entrepreneurs would manage well enough, since—as the authors suggest at the beginning of their critique of the Keynesian "oversaving" doctrine—"how can it be held that man behaves irrationally most of the time?"

There is a war on, this book assumes, between the partisans of progress and those of security. Certain persons, it appears, advocate security without progress, their only assignable motives being politics or "a curious temporary psychosis."

"Economic Stagnation or Progress" is frankly tough going. Couched in a stately prose, it requires the most dedicated attention. But the effort will be worth it to those who have been searching, all these years, for an organized refutation of the "spending theory."

"Tomorrow without Fear"

By Chester Bowles

THE ADVERTISING MAN who became head of OPA, whatever else you may think of him, is a brilliant writer. "Tomorrow without Fear" (Simon and Schuster, 1230 6th Avenue, New York; \$1.00) presents a plan for the future.

Chester Bowles is beautifully optimistic. Our annual production, he says, has doubled every 20 years since the Civil War. Given a few economic safeguards, he sees no reason why this should not

continue, with a \$200,000,000,000 national income next year—\$400,000,000,000 by 1960. A Keynesian in other respects, Bowles does not hold with those who talk about "mature economy."

To inhabit this author's paradise, the business man must be a good boy and content himself with narrow profit margins on each unit sold—to assure a continual flow of purchasing power to those who will be sure to buy. Again, he will probably have to accept an undistributed-profits tax. But these things the business man can well afford, since (so runs the argument) government, underwriting the economy, will prevent depressions—against which, heretofore, business has had to lay in savings from high profits.

Bowles proposes that government, in an average year, spend about \$25,000,000,000, thus reducing taxes from their present rate and also balancing the budget. The figure may be even less, since, with full confidence that government outlays will fill any temporary gap in purchasing power, private enterprise will roll ahead, and much of the government outlay may be unnecessary.

Such, in part, is the golden age which Mr. Bowles sees in his mind's eye. No group has been left out in the long party he plans for us all. Even if "Tomorrow without Fear" doesn't give all the answers, at least it makes economics as entertaining as a novel.

"Revolt of the South and West"

By A. G. Mezerik

A BIRD of unusual feather, A. G. Mezerik seeks to prove that big eastern corporations, to assure their own profits, have prevented the development of our South and West. Anaconda Copper, he says, holds the state of Montana as a private colony, by blocking a power project which could make the state rich and independent. U. S. Steel, he charges, keeps Alabama its bond-slave. Nowhere do South and West control their own wealth. Eighty-five per cent of Georgia is owned outside the state (if that figure seems plausible).

Wicked "aristocrats" of the East have subtle ways to hold the rest of us in slavery. They have fixed freight rates to the disadvantage of most of the nation (Mezerik is a violent partisan, here, in a violent controversy). They have hoarded patents to discourage industries in the West and South (the author tells a sad story of someone who tried to manufacture milk bottles in Texas). They have arranged customs tariffs which favor only the East. They have raised interest rates for southern and western borrowers.

But the South and West are in revolt.

The Interstate Commerce Commission has finally been persuaded to declare for more equitable freight rates. Local enterprisers, despite all the East can do, are developing idle resources. Henry J. Kaiser is building industry in the West, despite the attempt by U. S. Steel to prevent his being licensed to start a plant in 1941, when the nation at war needed it critically—to quote another of the remarkable charges which make "Revolt of the South and West" (Duell, Sloan and Pearce, 270 Madison Avenue, New York; \$3.00) startling, absorbing and perhaps irresponsible.

"Mr. Lincoln's Camera Man"

By Roy Meredith

MATHEW B. BRADY, our pioneer photographer, got a big price for his "Gallery of Illustrious Americans." It was, and is, one of the most magnificent collections of photographs ever made. Reproduced in "Mr. Lincoln's Camera Man" (Scribner, 597 5th Avenue, New York; \$7.50), these pictures catch to perfection the life and fire of America's leaders a hundred years back: Clay, Calhoun, Lee, Lincoln—among the most memorable. Daniel Webster, more commanding than any, his burning eyes suggest a kind of greatness which has certainly passed from Capitol Hill.

"Brady of Broadway," whose biography Meredith includes in his rare and delightful book, was not so noble a man as those he photographed. Daguerreotypy, in the 1840's, had become the latest fad, and Brady capitalized on it with leechlike perseverance.

Later, he sold "views" of the Civil War, touring the front in a distinctive wagon, known as the "Whatsit." Photography, in those days, required a minimum exposure of three minutes, so Brady made no pictures of battle action. But "Mr. Lincoln's Camera Man" includes photographs of Civil War devastation and dead which are more moving, in one way, than any possible description.

Photography is the kind of record which brings us closest of all to its subject. Painted or described, the past seems dim. But in photographs the world of a century ago—its roads, its houses, its advertisements—becomes excitingly real; and to see, by magic, a time which no living eye remembers is among the fascinations of this book.

"The Panic-Stricken"

By Mitchell Wilson

IF YOU ENJOYED "Journey into Fear," this is for you. In an unconventional thriller (not a mystery but the tale of a manhunt), Mitchell Wilson has achieved the same taut, fear-ridden suspense, the same overhanging horror, as Eric Ambler. His book is guaranteed to take the mind off any given trouble.

The scene flits from the Museum of Modern Art to a Millionaire's racing yacht. The hero, a coddled member of the crew, is dull though triumphant; the heroine purely coincidental; the corpse no surprise; but the villain is unique. "The Panic-Stricken" (Simon and Schuster, 1230 6th Avenue, New York; \$2.00) is an expert and terrifying book.—BART BARBER

Mile a Minute Merchandise!

NEW PACEMAKER FREIGHT SERVICE

... races from dusk to dawn between New York and Buffalo at speeds up to a mile-a-minute. From there, *Pacemaker* cars fan out on other fast freight trains for many midwest points.

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Ask about plant sites on New York Central

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NEW YORK CENTRAL

The Water Level Route



More medical centers such as this huge one being erected at Houston, Texas, are needed

If You Get Sick To-morrow

By HERBERT COREY

HAS THIS country, in her ardor to help others, been guilty of the old bromide of being "unable to see the woods for the trees" where health is concerned?

WE MUST be a singularly feeble-minded people. We let folks die who need not die. Every one of them should be an asset at a time when—what with this and that and our great hearts—we need assets more than we have ever needed them since Valley Forge. Not all of those who die needlessly are producers, of course. But they are all consumers and we live on consumers.

We let young boys grow up with crooked bones and dim eyes. If that cannot be helped, then that's all right. No complaint to register. But it can be helped. Our girls should, every one, have out-pushing chests and pretty legs. Not enough of them have.

We get excited about a lot of things outside our own borders. That's all right, too. Some of these things are pretty hellish. We should get steamed up about them.

But we need not go so completely cockeyed about other people that we forget ourselves.



With the practice of medicine steadily becoming more technical, the number of rural doctors is decreasing

Perhaps we do not know the facts about ourselves. We may have been waltzing on the Blue Danube and boating on the Volga so long that we have been forgetting facts about our own home folks. Here is one fact that only a handful of us know:

Of 1,154 former students of North Carolina orphanages tested for the Army, only 16 were turned back. The Army was pretty choosy in the early days of the war, too.

It did not want any second-run stuff. Evidently 1,138 of the 1,154 graduates had good bodies and good eyes. Only 1.4 per cent of them were refused, against a rejection rate of 52.4 per cent for the state as a whole. Same blood lines, presumably, same background, same sun and rain for the healthy orphans as for the men who could not make the grade.

Reason why?

The students in the orphanages had received adequate hospital and medical care.

Repeat that and think it over.

By April 1, 1945, the services had rejected nearly 5,000,000 male registrants because they were not up to a reasonable par. If the rate of excellence in the North Carolina orphanages had been maintained throughout the nation, all but about 200,000 of them

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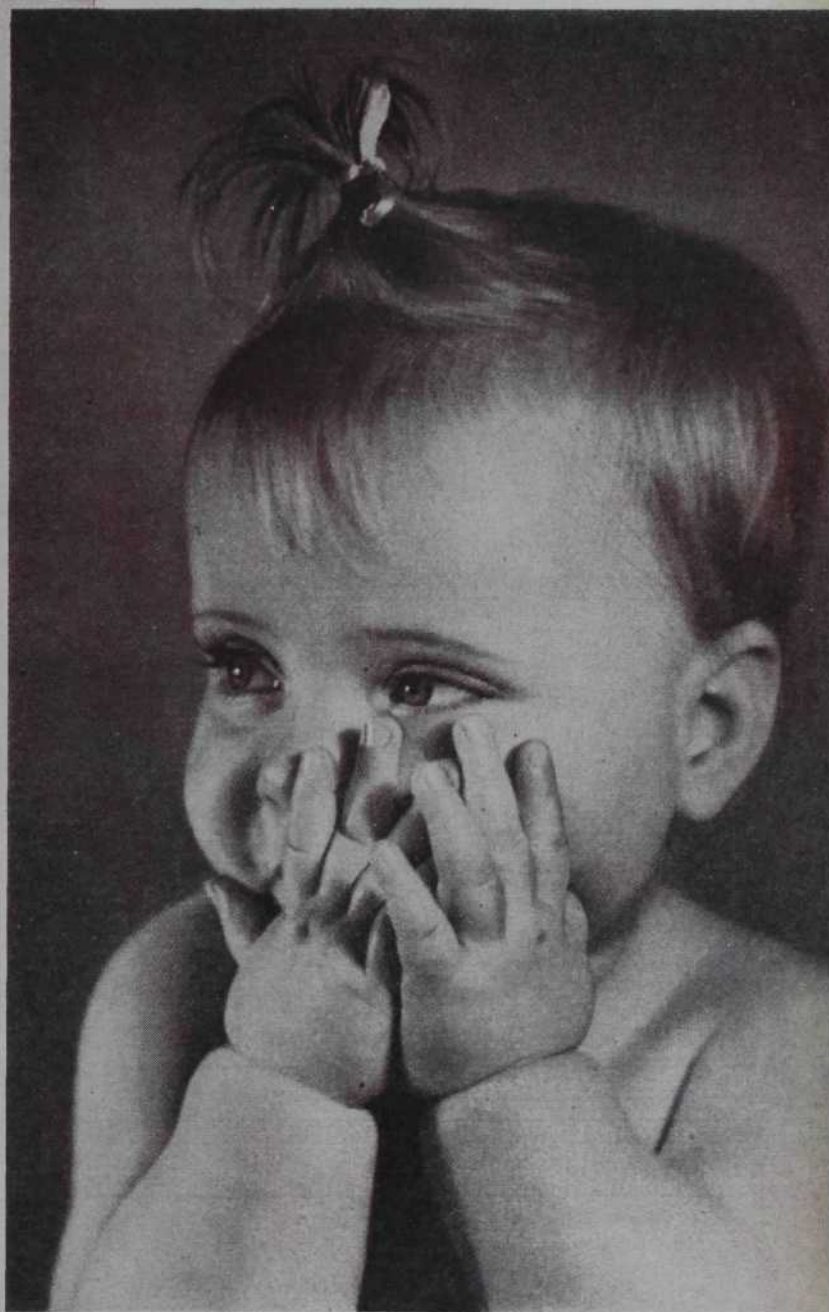
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Functional Photography

—very roughly approximated—would have been in the Army.

Maybe that conclusion cannot be demonstrated with a slide rule, but it is mostly true. Because there are the figures. After actual induction, another 1,500,000 men were given the gate by the Army and Navy for physical and mental disability, not including wounds. As many more were treated for diseases or defects which existed before induction.

Girls could be healthier, too

ADD to this fairly horrifying total of male clucks a proportionally large number of girls who are not as sound as they should be. No one knows how many there are.

Girls are not subjected to quite as many physical strains as are their brothers. At least they didn't used to be. They do not handle mules—time will be taken here for an appreciation of that noble animal; he demands respect and gets it—they do not take the chances the boys do. But for all that:

More than one-third of the applicants for ad-

reason these lucky little tads in the orphanages got what was coming to them in the way of attention.

The obvious conclusion is that there are not enough hospitals in this country.

We may have enough doctors.

No one can prove anything on that, one way or the other.

But it is certain that the doctors are not properly distributed. A doctor may be a hero in devoting himself to a small community. There used to be one in Ludlow, Vt.—he may still be there—who time after time refused partnership offers in Boston that would have made him rich. He preferred to look after his patients—on a snowmobile or skis in the wintertime—because at that time there was no other doctor. No doubt there are thousands like him. But a man who is able at great physical effort to see a maximum of half a dozen patients a day in a widely scattered parish might care for many more in a hospital, and his percentage of "saves" would be higher because he would have at his command the almost innumerable facilities of a modern hospital. The patients would like it better, too.

Kitchen table operations under an oil lamp with water boiling on the stove are Spartan, of course.

But who wants to be Spartan and die of it?

Bill No. 191 was introduced in the Senate to provide a means by which the states and communities may, by a combination of federal aid and self-help, provide the hospital services needed. The authors were



SIGNAL CORPS PHOTO

More than 1,500,000 men failed to meet Army, Navy requirements

mission to the WAC's were rejected for physical or mental reasons.

Get back to those North Carolina graduates from orphanages.

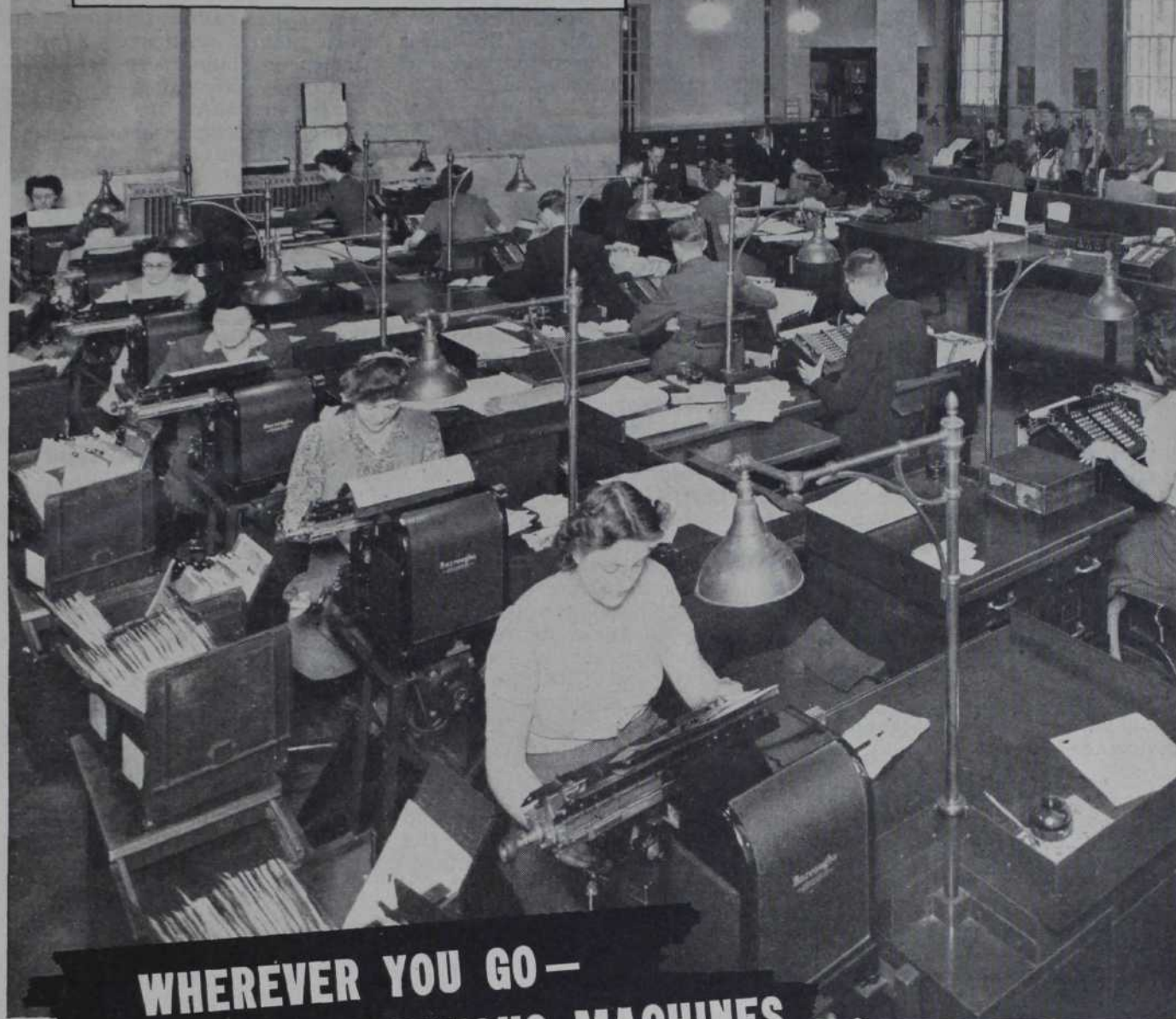
No one has denied that the reason why they had sound minds in healthy bodies—there is a Latin tag for that if you want to look it up—is that they received adequate hospital and medical care from the day of their first squall. North Carolina is forty-fourth in *per capita* income among the states, and it has had so little money to spend that its hospital facilities in general had been neglected. It was forty-second among the states in hospital beds per 1,000 of population and forty-fifth in the number of doctors per 1,000. But for some

Medical aid given to orphan boys showed in few service rejections



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Senator Lister Hill of Alabama, and the present Associate Justice of the U. S. Supreme Court, Harold Burton.

This bill was considered in weeks-long hearings by a subcommittee of the Senate Committee on Education and Labor, including Senators Hill (D), Ellender (D) of Louisiana, Tunnell (R) of Delaware, La Follette (R) of Wisconsin, and Taft (R) of Ohio. They make up as hard-boiled a quintette as can be found in the Senate. They asked for facts without sentiment and got them. No one appeared in opposition although the lists were open.

Hospitals good investment

IN THE course of one of the open hearings, Senator Langer (R) of North Dakota, came in to ask some questions. Senator Taft of Ohio has played a lively part in the floor discussions on the proposed British loan. He had opposed a suggestion made by President Truman that a program be adopted that would cost between \$3,000,000,000 and \$4,000,000,000.

"I think the desired results can be obtained along the general lines proposed by this bill," said Senator Taft. Mr. Langer queried:

"Does not the Senator agree that, regardless of what it costs, it would be a better investment than the giving of \$4,400,000,000 to England?"

"I agree entirely," replied Mr. Taft.

The first cost of the plan to distribute hospital facilities more widely, divided between the federal Government (\$175,000,000) and the states and communities, would be about \$400,000,000.

There is distinctly no taint of socialized medicine about the bill. The federal Government's contribution will be for construction only and the states and communities must show that they can support the hospitals for which federal aid is granted. Or they will not get the aid.

Once the hospitals are built it is up to the states or communities to operate and manage them.

The task of operation and management will be made easier by the general plan on which the hospitals are to be built. The smaller communities are to be tied into the larger ones by a network plan. Of the 3,000 counties in the United States, about

1,200 have no recognized hospital facilities at all. This is deplorable so far as some are concerned but others do not need hospitals. A county which has a population consisting of one cow-critter to 40 acres takes care of the occasional man who gets bucked off and breaks a leg by putting him on a bed of hay in a chuckwagon and jolting him off to succor.

Health aid for all

PERHAPS most of the 1,200 counties which have no facilities at all can be served by ambulance connection with a relatively nearby hospital or a health center—which is a more or less flexible combination of sanitary and health department, with available nursing in many cases—and in each case without consideration of race, creed or color. The agreed upon estimate is that four and one-half beds are needed in general hospitals to each 1,000 population and one health center to each 30,000. Almost one person in each ten is in a hospital bed sometime during the year. A little more than 11 persons in each 100 are admitted in that time. The slight apparent discrepancy in these figures is explained by the varying lengths of stay. At the end of 1943, the American Hospital Association register named 6,655 hospitals, to which had been admitted in that year 15,374,698 persons.

There were 1,649,254 beds—

Which was not enough then and is proportionately less than the need now. People have the hospi-

tal habit. In a ten-year period the number of hospital beds was increased by 57.6 per cent, but the number of admissions in the same period increased 114 per cent. The customers have learned not only that they can be cared for in a hospital as they cannot be in even the finest homes—with every kind of first aid and laboratory and physicians and nurses just around the corner—but that the chances of getting home again are improved. Since hospital care has grown in public favor, Surgeon General Thomas Parran says:

"The death rate for all diseases has fallen to an all-time low of about ten per 1,000. In 25 years, infant mortality dropped from about 100 to each 1,000 live births to about 40. Mother mortality dropped from 9.92 to each 1,000 babies born to 3.6."

But that is not good enough.

Overcrowding prevalent

IT IS probable that there is not a city in the United States in which shameful overcrowding of hospitals is not reported.

"Get 'em in and get 'em out as fast as you can" is the rule everywhere. "Make room for the new patients."

In Washington, D. C., a survey showed that patients were being moved out of wards and cots are placed in corridors. Operating facilities are sometimes spoken for days in advance. In Albuquerque, N. M., a girl suffering from acute appendicitis was held in a hotel days after she should have been hospitalized. The case is noted only because it was one of thousands the country over. Health centers in the average small city are likely to be shabby basement rooms in decaying old houses, as reported to the Senate committee.

No one is to be blamed for such things. No one except every one—and hard-angled facts that cannot be dodged.

Half a billion dollars could be honestly spent—not a nickel of graft in it—in cleaning up and fireproofing and rat-chasing and modernizing the hospitals we now have. Official figures. Some \$4,000,000,000 could easily be spent in providing the hospital facilities we need. That sum does not suggest luxury. Not anywhere. There was a time when something like that

(Continued on page 72)



"When I got my new hearing aid, the electrician's union made me put on two men!"

The Box Score of Reconversion

By WILLIAM W. OWENS

ALMOST a year after V-J Day, official and trade reports show that American industries, except in a few cases, have completed their reconversion to peacetime operations more quickly than had been anticipated.

Wartime growth left many industries with additional productive capacity, and industries in which wartime controls restricted expansion are now planning to construct additional facilities.

Hampered by strikes, material and labor shortages and price restrictions, industrial production which, for the first quarter of 1946 was 60 per cent above average for 1935-39, has lost headway. Volume production is expected only when a steady flow of materials is resumed.



Aircraft—During the war this industry was the world's largest, employing 2,100,000 at its peak and producing 96,000 military planes annually. Since V-J Day it has shrunk 96.5 per cent, now employs 150,000 and is producing military aircraft at the rate of 2,000 a year.

Dollar volume of production has dropped from \$16,000,000,000 in 1944 to an estimated \$715,000,000 for 1946.

In addition to the 2,000 military planes, 1946 production schedules call for 200 to 400 new commercial transports, and 20,000 to 30,000 light planes (cut from 50,000 because of strikes).

Shortages of aluminum for planes of all sizes and of fabric for small planes are hampering production.

The industry feels that it cannot make long-range plans in its national defense, air-preparedness role until it knows what the Government's plans are to be.

Aluminum—At V-J Day the industry's capacity was 2,100,000,000 pounds a year, or seven times greater than its prewar level. Today's economic operating capacity is estimated at 1,400,000,000 pounds. Some wartime plants have been shut down as being too costly to operate.

Demand for aluminum is greater than anticipated because of shortages of other metals and materials and because during the war many new uses were found for aluminum.

Delivery date promised for current orders is fall of '47. Demand until the present has been met partially from government stockpile.

The coal strike seriously affected aluminum pro-

AMERICAN INDUSTRIES expect to achieve volume production only when a steady flow of materials is resumed

duction—it takes a half pound of carbon to make one pound of aluminum.

Additional surplus military aircraft, to be put up for sale, are expected to yield 200,000,000 pounds of aluminum. Cost of scrapping will about equal the value of the metal recovered.

Automobiles—Sudden collapse of Japan made possible a complete, rather than the partial reconversion which the automotive industry had planned. The industry was ready for peacetime production in less than two months. Pretermination agreements pioneered in the industry forestalled any delay due to contract settlement.

After getting off to a good start, the industry was set back by strikes. As a result, production which was to reach 504,452 cars a month by midyear (60 per cent greater than peak year 1940), was about 152,000 units in May and fell off to 140,000 in June as plants operated on a day-to-day basis because of the coal and the steel strikes and material shortages.

Actual deliveries for the first six months of year totalled only 654,000, more than 1,680,000 cars below anticipated schedule. This represents a \$1,500,000,000 loss in sales for the period. Further losses are expected during the third quarter.

The Automobile Manufacturers Association pre-



dicts that it will be 1952 before current accumulated demands can be met and new cars become available in volume.

Building and construction—This industry has sufficient equipment to handle all foreseeable work but would like to replace worn items.

Producers' Council estimates show that there is ample capacity to produce building materials, not only to meet the Wyatt home building goal in 1946, but also to permit \$9,000,000,000 of other construction, repairs and maintenance.

During the first four months of this year, construction was started on about 315,500 dwelling units, little more than one-fourth of the starts planned under the veterans' emergency housing program. Strikes,



manpower and material shortages and price restrictions have greatly hampered progress.

Most serious shortage is nails. Because of price restrictions, hot rolled-rods normally used for making home building nails have been going into fine wire and for nails for non-housing uses.

Hardwood flooring is at 20 per cent of industry's capacity. Plumbing fixtures are retarded because of lack of basic materials. Soil pipe for sewerage and drains is at 58 per cent of capacity.

Demand for asphalt shingles has outstripped production and lack of price relief forced many plants to shut down. Door and millwork output has been retarded many months by delay in price adjustment.

Coal—War pressure for speed-production, plus government aid, gave the coal mining industry better equipment than it had had in 1941. Stripping operations increased as expensive equipment was made available and at V-J Day the industry's capacity was higher than ever before.

Bituminous coal production from April '44 to March '45 was 611,000,000 tons; from April '45 to March '46 it was 583,000,000, a decrease of 4.6 per cent. Through May more than 83,000,000 tons were lost due to the coal strike.

It will take a long time to build up depleted coal stocks and under the most favorable conditions soft coal will be short for a year and will continue to be allotted to industry but there is no foreseeable rationing on a consumer basis.

Much export coal will be needed for Europe. The amount will depend on whether Polish coal moves eastward or westward.

Britain's coal production is too low to be of much help, and the output of U. S. mines will undoubtedly provide a large share.

Farm equipment—Manufacturers maintained their facilities for producing farm machinery during the war and were ready to go on V-J Day. Because direct war material was produced in other than implement shops, increased facilities and equipment



became available as war contracts were terminated.

However, strikes and shortages of material and components have hampered production of badly needed food-producing equipment. One company, International Harvester, reports that strikes have

cost its customers 33,800 tractors, 26,400 mowers, 11,800 hay rakes, 36,000 pick-up hay balers.

Several producers who had planned increased production for 1946 now say their programs will be reduced by one third.

Fertilizers—With both German and Japanese producers out of operation or sharply restricted, U. S. must meet its own needs for intensive food cultivation as well as those of Europe and Asia.

In 1945 more than 13,000,000 tons of commercial fertilizers were made in the U. S., an 80 per cent increase over 1935-39 average. This year's production is expected to be even greater if materials, labor and transportation are available.

The steel strike alone cost 124,000 tons of fertilizer when coke ovens were shut down. Sulfate of ammonia, a by-product of the coking process, supplies some of the nitrogen component in fertilizer. Other basic materials are not particularly short.

Flour milling—Millers are experiencing "reconversion in reverse." Recent government order calling for the increase of wheat flour extraction rate from normal 68-72 per cent to 80 per cent meant substantial mechanical changes in mills, changes in containers and labels.

Despite 1945-46 wheat crop being country's large-



est, unusually heavy demands for wheat to fill domestic flour and feed requirements and foreign relief commitments have caused a serious shortage. Lack of wheat to grind caused 94 per cent of the industry's capacity to close down by June 4.

Millers would like to grind export wheat because more flour than wheat can be moved per ship, time would be saved in distribution. Some needy countries are unable to grind their allocation.

Until this summer's harvest gets rolling through the mills and to grocers and bakers, flour and bread supply will be spotty and scarce, but not alarming.

Iron and steel—Production for 1946 was expected to be the same as in '45, when 78,000,000 ingot tons were produced. However, 7,500,000 ingot tons of steel were lost through the steel strike and (to June) 3,700,000 through the coal strike. The latter figure, based on the actual prestrike rate of 88 per cent of capacity, makes no allowance for production at higher level which might have been reached had there been no miners' strike. By July the industry was operating at 87.8 per cent of capacity.

It will take some time for the industry to build up

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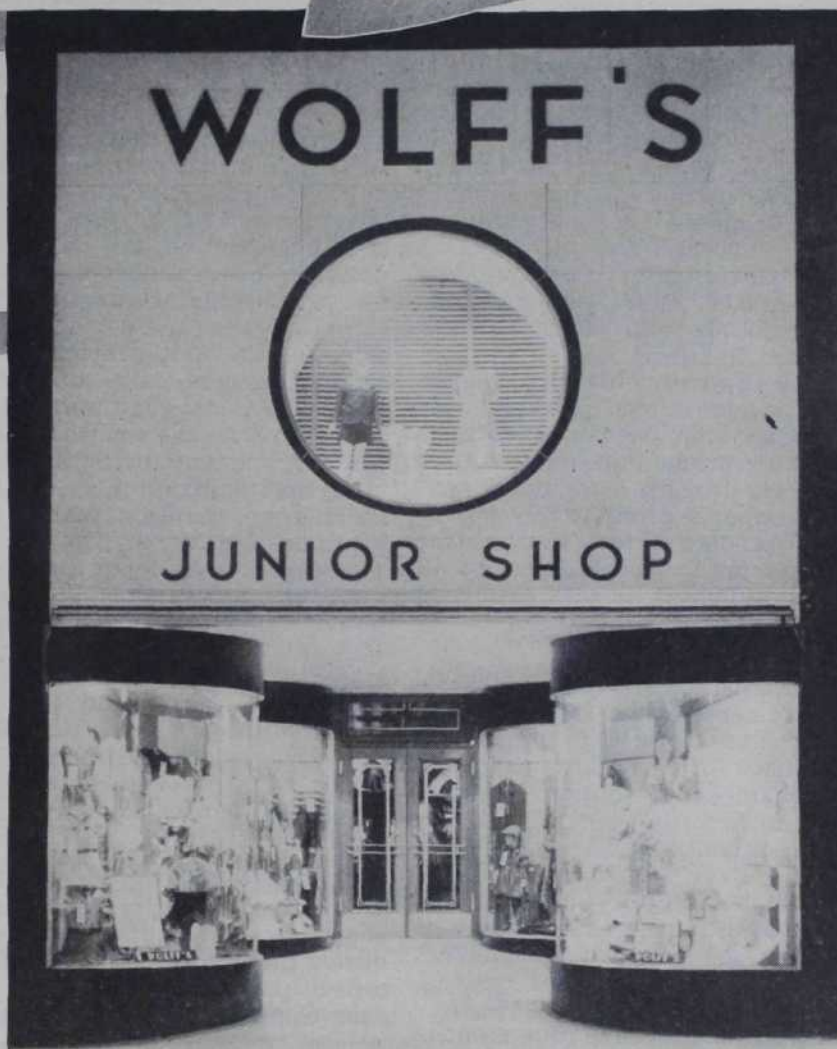
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its coal stocks again and to expand production. Expectations point to continuing tightness in steel for a year. Even if ingot output expands to peak levels shortly and remains there, serious shortages are anticipated in wire products, sheet and strip and tin mill products.

Lead—Labor shortages which seriously affected lead production during the war are being eased, but continue bothersome in various western mining regions. This factor, plus the strikes in lead mines, smelters and refineries, will probably result in less lead being turned out in 1946 than in '45. Domestic output is expected to be around 350,000 tons in primary production and 350,000 in secondary production. To meet all domestic requirements 1,000,000 tons are needed. The Government imports only 7,000 to 8,000 tons a month instead of the 20,000 to 25,000 tons needed to meet the demand.

Government control of lead is main factor affecting supply. Its subsidy system does not encourage domestic production, and its price level for foreign lead makes private imports prohibitively costly. Lead producers feel that a free market for lead would attract all the metal necessary.

Leather—World shortage of hides was intensified at war's end by European needs for skins and leather. Growth of the tanning industry in countries formerly large exporters of raw stock and elimination of import controls on certain leathers have contributed to lessening U. S. supply of raw stock.

Lessened military demand has resulted in an increased supply of civilian shoes which shoemakers are now producing in the greatest volume in their history—178,000,000 pairs in the first four months of the year. At this rate, 535,000,000 pairs will be made in 1946 compared with the 1941-45 average of 466,000,000 including military type shoes.

Shortages at retail level, if any, will be in the lack of certain colors and patterns. There seem to be sufficient sizes and widths to meet all normal needs.

Lumber—Production of lumber during first quarter of 1946 has been placed at an annual rate of 24,500,000,000 board feet. In '42 the rate was 36,500,000,000. This difference in output is equal to more than 1,000,000 homes (at 10,000 board feet per home).

During second quarter the rate

increased to 26,500,000,000. By August it was expected to reach 30,000,000,000 or 2,000,000 less than 1946 goal.

Causes for low production were price policy which permitted higher prices on large-sized timbers than on small-sized lumber for home building and delay in obtaining logging and milling equipment. Manpower shortages are less bothersome than heretofore.

To encourage production of lumber needed for veterans' emergency housing, prices on certain grades and kinds of lumber have been raised.

Paint and varnish—After V-J Day, ingredients on hand for war paints became available for civilian paints. This factor, plus the seasonal demand for paint, plus delays in other industries, has allowed manufacturers to build up stocks equal to the demand. Total sales for the first quarter of 1946 were 6.7 per cent above those of the same period last year, and 62.1 per cent above the same period in 1941.

When current inventories are used up, major problem will be shortages of material, mainly flax, titanium and lead. Though the U. S. flax crop is 19 per cent below the 1946 goal, the flaxseed production of Canada and the U. S. may—with favorable weather—approximate 1945 production. Expansion projects in titanium industry, forbidden during the war, are in progress, but it will be the latter part of '46 or early '47 before increased production can be expected.

Paper and pulp—Since V-J Day, production of paper and paperboard has been stepped up. The industry plans to produce 19,000,000 tons of paper and paperboard this year compared with 17,300,000 in '45 and 17,800,000 in '41.

Principal problems have been those centering around labor shortages and the resumption of wood pulp shipments from Europe. Sweden is expected to supply U. S. with substantial tonnage during balance of 1946.

Improved supplies are accompanied by larger consumption requirements, and demand is likely to exceed supply for some time. Little new capacity will be available until '47.

Paper requirements for magazines in 1946 are estimated at 1,250,000 tons—500,000 more than in previous years and about 200,000 more than magazines will actually get. Newsprint requirements are 412,000 tons more than 1941 peak.

Shortage will be accentuated by mills switching to other grades and by increasing newspaper demand.

Petroleum—During the war production of petroleum increased approximately 25 per cent, from slightly more than 4,000,000 barrels daily in 1941 to more than 5,000,000 daily in third quarter of '45. Additional capacity, mainly in form of expansion of existing plants, will be retained in postwar programs.

Proved reserves in U. S. now stand at estimated 20,826,812,000 barrels, an all-time high.

Petroleum producers claim that price ceilings caused an oversupply of gasoline and a shortage of burning oils, and that the industry's surplus refining capacity of 21,000,000 gallons of petroleum daily is sufficient to insure free competition and form a barrier against runaway prices.

Shortage of lead is expected to bring about restricted use of ethyl fluid. As a result, the octane rating of premium gasoline will probably be lowered to 78½ per cent from its present rating of 80 per cent. It is expected that, with restrictions in effect, sufficient high quality gasoline, considerably above wartime grades, will be available.

Plastics—Potential capacity of the plastics industry increased 25 per cent during the war. Today demand for plastics exceeds supply by an average of three to one, though total output is almost two to one compared with 1941 production. Shipments of all types of molding material are running five to three compared with '41.

Radios and parts—During the war the number of radio manufacturers tripled from 54 to 150; the industry's capacity doubled from 1,100,000 to 2,000,000 sets a month.

OPA pricing for the industry got off to a slow start and it was January, 1946, before volume production was achieved. Up to January only 500,000 of 3,500,000 sets anticipated were turned out.

Set production has also been hampered by shortages of copper wire, steel sheets and cabinet woods, and by unbalanced manufacture of component parts.

Production rate during second quarter of '46 reached 1,000,000 sets a month compared with prewar rate of 1,100,000 when there were only one third as many makers.

The industry looks for a trim in production in the next few months to prevent flooding the market with



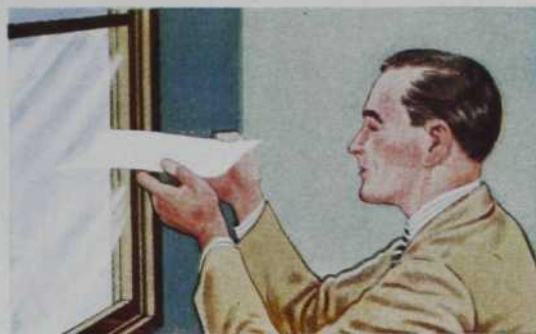
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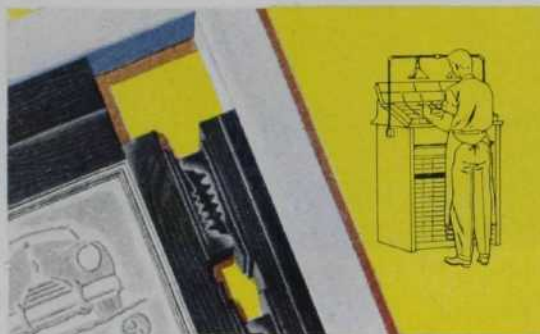
1. Progressive Proofs

- ☐ Proof revisions filed in sequence
- ☐ Color separation engraving proofs
- ☐ Paste-up of type and engraving proofs



2. Look-Down

- ☐ Appearance of paper under reflected light
- ☐ Eye-attracting device in layout
- ☐ Method of proof reading



3. Furniture

- ☐ Small incidental illustrations
- ☐ Name of a sans serif type face
- ☐ Blocks used for lock-up in printing



4. Volumetric Composition

- ☐ Ratio of water to solids in pulpwood
- ☐ A wordy piece of copy
- ☐ Combination of air, solids, and moisture in paper

ANSWERS

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THE HIGHBALL

THE DAIQUIRI

THE COLLINS

THE MINT JULEP

FOR YOURS...THIS MELLOW MAGIC

Southern Comfort

All drinks—tall ones, short ones—achieve a subtle superiority from the mellow magic of versatile, 100 proof Southern Comfort—The Grand Old Drink of the South. The bottle booklet contains delightful, easy-to-mix recipes. Why wait?



TRY THESE SOUTHERN COMFORT RECIPES

Daiquiri

1½ ounces Southern Comfort
Juice of ½ lime
No sugar
Shake well with cracked ice

Highball

Jigger Southern Comfort
Ice
Fill with Sparkling Water

Collins

Jigger Southern Comfort
Juice ½ lime or lemon
Ice and fill Collins glass with soda
Garnish with slice of lemon, orange and a cherry

Mint Julep

Bruise mint in bottom of glass
Add 2 ounces Southern Comfort
Fill glass with fine ice; stir till frosted
Add more ice and decorate with two sprigs of mint

There's Only One

SOUTHERN COMFORT
100 PROOF LIQUEUR

America's Most Versatile Drink

SOUTHERN COMFORT CORPORATION, ST. LOUIS 3, MO.



cheaper models. More than 90 per cent of production has been in small table models on which little profit is realized. The more profitable larger sets have been held up by lack of cabinet woods. To overcome this critical shortage of cabinet woods, one manufacturer acquired his own timber stand.

Rubber goods & tires—Peaceful negotiation of major labor contracts and increased shipments of natural rubber have placed production three to six months ahead of V-J Day estimates.

Present annual production rate of 66,000,000 passenger tires and tubes is 40 per cent above 1940's peak of 50,465,000. Supply is likely to balance demand late this year.

Truck and bus tires (large size) are in relative balance with demand. Annual rate is now 13,860,000 compared with 1940's 8,221,000 units, previous record for full peacetime year.

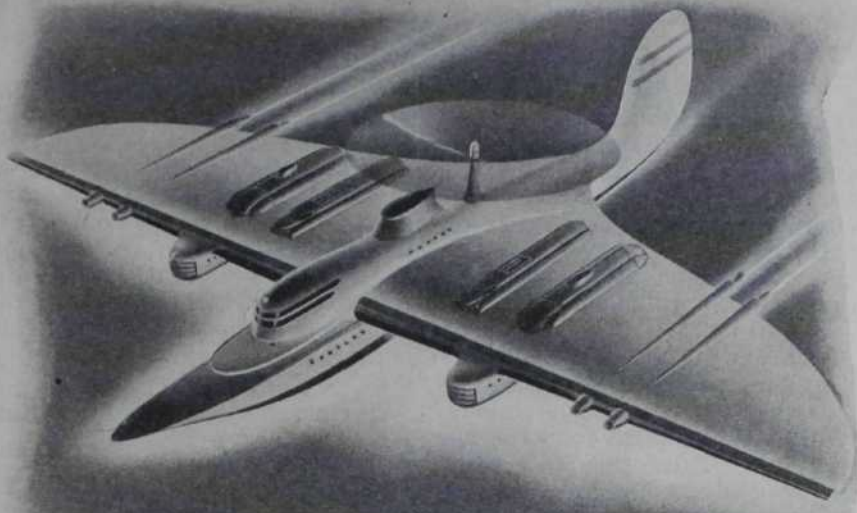
Mechanical rubber goods, rubber footwear and rubber-coated fabrics are being produced generally on schedule laid out for 1946, though production is hampered by shortages of component materials, principally textiles.

During the recent strikes, inventories were used up. If strikes recur, production pace cannot be continued. Rubber manufacturers need uninterrupted flow of component materials to support consumption of rubber, which is being used at a rate far in excess of ten-year prewar average.

Soap and glycerine—Shortage of fats and oils is determining factor in holding down recovery of soap and glycerine makers from war conditions. Though there are sufficient fats and oils in the world to meet demands, conditions make it impossible to obtain and transport them to where they are needed.

Government regulations limit producers in making household soaps to not more than 78 per cent of their average use of fats and oils for the same purpose in corresponding quarters of 1940-41. Per capita share of household soaps has been cut by about one-quarter; civilian industrial use is down one-fifth from 1940-41 average.

Underproduction of soap has caused reduced output of its by-product, glycerine, which has many industrial uses. This reduction has been stimulated by shortage of coconut oil, whose glycerine content is almost 50 per cent greater than most other fats and oils.



Pegasus of the Atomic Age

It flies... it floats... it even rockets down rail and roadbed—it's the traffic manager's dream!

And, in sober fact, just such a combination of transportation facilities—on land, on sea, and in the air—is actually used by Cities Service today.

Our number one job is to make fuels and lubricants; we test them in our laboratories to be sure they are the best that money can buy. But we also prove them by *using* them!

We keep an eye open for our customers, and we also see our goods with a customer's eye. For we are not only serving the nation's transporters of commodities, we are also one of the nation's largest users of transportation.

In the past year alone the railroads of the country shipped 342,000 carloads of Cities Service freight.

More than 61,000,000 barrels of our oil were transported in 350 tanker-loads, and 5,000 barge-loads.

We own and operate 3,715 tank cars, 3,600 trucks, and a fleet of tankers, tractors, trailers, street cars, busses, automobiles and airplanes.

We not only help turn the wheels, we *ride* 'em!

With speed and efficiency our 400 products are distributed throughout 38 states. Millions of cars, homes, farms and factories are served by wheels greased with our own lubricants, and by trucks and ships powered with our own fuels.

We are one of our customers' best customers.



CITIES SERVICE OILS service is our middle name

Sixty Wall Tower, New York

Arkansas Fuel Oil Co., Shreveport, La.

If You Get Sick To-morrow

(Continued from page 64)

might have been obtained from private sources. But conditions have changed. Beginning with the financial depression of the '30's the sources of financial assistance on which the voluntary hospitals largely depended dried up. Scold the rich folk if you wish, but there is the fact.

Too many of them had been taken to the cleaners. Not many of them were sure of what lay ahead.

Very little hospital construction took place. Then the '40's came along and the people awakened to the tremendous need for more hospitals. Building began. Drives brought in millions of dollars. Then the war came and relatively little hospital construction or expansion was permitted, except for the imperative needs of the armed forces. Following the war the higher cost of construction and the heavily increased taxes practically put an end to hospital building.

Costs are much higher

THE cost of operating a hospital has risen tremendously. Everything costs more today—elevator service, heating, laundry machinery, operating room equipment—"and our hospitals are so crowded that they seldom have even the briefest period for indispensable repairs.

"Today the cost of hospital operation is about \$1,000,000,000. To-morrow it may be more, because the hospitals have been on such stingy budgets that they have been compelled to underpay the employees, from head nurse down to floor scrubber. They have been losing manpower at such a rate that they are seriously alarmed. A present help is that a large proportion of the patients have been able to pay something toward the cost of their care. In normal times only one in three, or thereabouts, can give anything."

These facts are beginning to sink into the popular consciousness. Thirty-seven states are now inventorying their hospital facilities, with more or less definite plans in view. In the past year 47 states and all the territories have made inquiries of the Public Health Service. One

fact that is being impressed on inquirers is that the number of rural practitioners is decreasing as the practice of medicine has become increasingly technical and complex. Doctors are now concentrating where hospitals are available. There is no possibility of relieving this situation without a better distribution of hospitals and health centers.

Doctors need better facilities

A YOUNG doctor is not to be blamed if he locates in a city. His education has cost him a minimum of \$15,000 and he has probably borrowed money to carry him through the first unproductive years. If he is one of the 60,000 doctors released by the armed services he has grown accustomed to the new things and new miracles. In the rural communities the older practitioners are beginning to lose their steam. These facts have been pointed out by the American Medical Association and many of the national organizations in other fields. President Truman urged in a message of November 19, 1945, that something be done.

The federal grant-in-aid plan is designed to help those communities which must have help to obtain the hospitalization facilities so badly needed.

Some are going ahead on their own power.

Houston, Tex., already has be-

gun construction of the first units of the Texas Medical Center, destined to be one of the largest group of institutions in America for the advancement of medical treatment and educational research. The Houston Chamber of Commerce has dedicated itself to its success.

As a spokesman for the Chamber said:

"The people of Houston dug out a shallow little bayou 50 miles to the open waters of the Gulf of Mexico and built within the city limits one of the major deep-water ports of the nation. The Texas Medical Center looks like no bigger task and is much more important to them."

The cost will be \$100,000,000. The combined efforts of four great universities, 12 or more independent hospitals and several research institutions will be brought together. Two institutions are already under construction in the Center and plans are being prepared for 20 other buildings with even more in the distant planning stage. They will be located on 163 acres of beautiful parkland within the city.

Houston is raising funds

MORE than 250 business men are now actively in the field obtaining subscriptions to supplement the \$500,000 already raised by the Houston Chamber and to obtain \$3,750,000 needed to supplement a pledge of \$2,500,000 by the M. D. Anderson Foundation.

Mr. Anderson was a Houston cotton man who left a fortune of \$20,000,000 to be administered for the benefit of health.

Among the activities to be fostered by the Center will be the M. D. Anderson Hospital for Cancer Research, the Institute of Geographic Medicine for a study of diseases common to every part of the world, the College of Dental Nursing, the Institute of Orthodontics and the School of Stomatology and a school for post-graduate and graduate clinical research.

Men and women of science from the best research laboratories, teaching institutions and training hospitals will be brought to the Center. The vastness of the undertaking is breathtaking.

There are scores of other hospitalization projects in progressive cities and in every one the local chambers



"Boy, this is really gonna hurt!"

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(OF WAUSAU)

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Insurance terms
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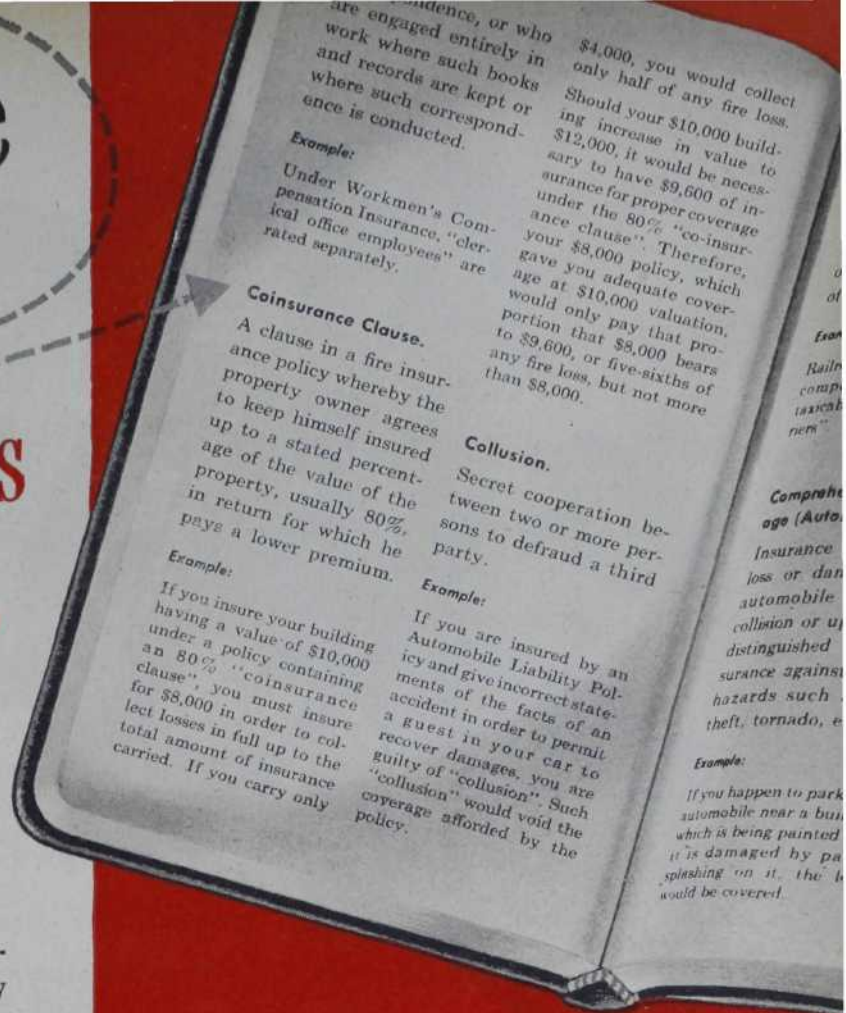


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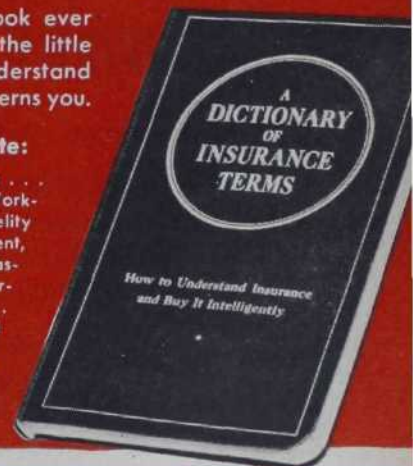


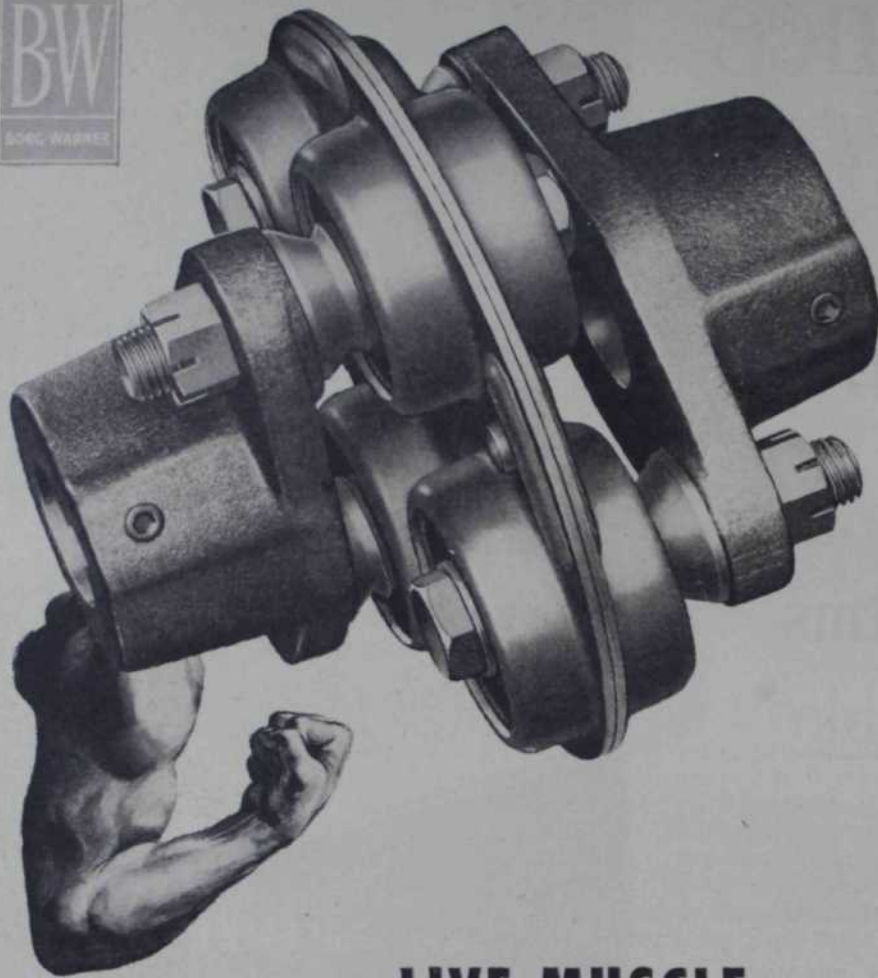
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Morflex Couplings absorb the "whip" resulting from misaligned shafts, cushion shock, protect machinery from vibration. No maintenance; no lubrication—Morflex is proof against oil, dirt or weather. Address application problems to MORSE CHAIN COMPANY — Detroit 8, Mich.

MORSE *ROLLER and SILENT CHAINS*
SPROCKETS • FLEXIBLE COUPLINGS • CLUTCHES

of commerce are playing their full share.

The need is great.

As is pointed out in a statement of the Union and New Haven Trust Company, which is actively urging on the campaign for better hospital facilities in New Haven, Conn.:

70 per cent labor cost

"THE cost of hospital care is about three times as much as it was a generation ago, but the average stay is only about one-third as long. A hospital provides an average of two employees for each patient served. Nearly 70 per cent of the cost of your stay in a hospital is for labor. From 500 to 750 square feet of floor space are desirable for each patient. Today a patient gets an average of five or six laboratory tests, food, laundry, heat, medicine, 24 hour nursing, and the constant supervision of skilled technicians and the use of costly scientific equipment.

"One bed will care for about 25 patients in the course of a year. On the average a person will go to the hospital once in eight years. Each hospital bed and its equipment require an actual investment of at least \$6,000."

But the patient's chance of coming out cured is pretty good nowadays. A generation ago people talked of going to the hospital to die.

**Photographic
Miniatures**

ON DISPLAY at the Kansas City, Mo., Chamber of Commerce are miniatures of some 40 industrial products manufactured in the Kansas City area.

These miniatures are made by mounting photographs of the actual items on wood, then cutting them out in great detail, even the spaces between spokes of a wheel.

The depth of the wood mounting and the dark color with which the edges of the model are painted give a third dimensional illusion and when photographed, the miniatures appear to be the original products themselves.

When industrial prospects or buyers inquire about manufacturing capacity or products of Kansas City firms, it is no longer necessary to take them to the manufacturer's place of business. They can be shown the Chamber's display.

Patents for the "Photoettes" have been applied for by a Kansas City manufacturer.

Workers Can't Eat Dollars

(Continued from page 38)

vent the employer, without grave risk to himself, from taking on other workers.)

Now, if the strikers win a strike, either by violence or intimidation, or by the latent threat of them, the very position of privilege in which they have put themselves means that they have not benefited labor as a whole. Their gain has been made only at the expense of the workers whom they have successfully prevented from taking their jobs.

Those workers are injured by not being permitted to compete freely. They are injured by being forcibly kept out of work or kept in inferior jobs at inferior rates.

The injury does not stop there. For the excessive rates the strikers have thus gained are at the expense, not merely of the particular workers whom they have kept from taking their places, but at the expense of the whole community, including all other workers. The usual effect of forcing up wage rates in a particular industry is to force up correspondingly the price of the product which that industry supplies. And if this product is coal or railway transportation or housing or milk or anything else which labor has to buy, then its increased price means a reduction to that extent in the purchasing power of all wages.

Too high wages hurt others

ALL wages have been reduced, in short, in terms of what they will buy. The increased wages of the strikers are at the expense of all other wages. The great body of labor is no better off. It is, in fact, worse off, because the excessively high wage gained by one group is at the expense of employment either by that group itself or by some other.

When the increased wage forces an increase in the price of the product, the demand for that product tends to fall off; less of it is made; fewer men are employed in making it.

If (which is seldom the case) the article is so great a necessity or of such a nature that even an increase in price does not lead to a falling off in demand, the people who have to pay that price have so much less with which to buy everything else; so that employment drops off in other lines.

The common idea is that exces-

sive increases in wages, brought about by force and intimidation, are primarily at the expense of employers. But this is seldom true. It can be true only in a very special case.

When this wage increase occurs in a particular firm, which is in such competitive relation with other firms in the industry that it cannot raise its prices, then the wage increase may indeed come out of its profits. In this way a very successful firm can be forced to pay a higher level of wages than other concerns in the same industry. (The long-run effects of this are bad for labor.)

Where, however, the wage level of an entire industry is raised to an excessive point by methods of intimidation and coercion, the most probable effect is an increase in price, in which the burden of the wage increase is passed along to the consuming public.

Lack of profits kills industry

IT IS possible to imagine a case in which (let us say because of governmental price control) an industry cannot raise its prices to pay higher wages. In such a case the higher wages may indeed for a time be at the expense of profits in that industry. Investors who have put their money into that industry's factories and machines find their capital trapped in that form. They will doubtless continue operating for any price that yields them anything whatever above running expenses.

But by its very nature this exploitation of investors in the industry must be short-lived. Because if that industry yields a profit lower than other industries, or does not promise enough profit to compensate for the risks involved, then no more money will be invested in that industry; machines and factories as they wear out will simply be abandoned; and workers will be thrown out of jobs until, by one process or another, the profits of that industry are once more restored to the general level of profit—or until the general level of profit itself is restored to a point where investment is once more attractive.

It is a short-sighted policy, therefore, for labor to try to get more than the true market value of its services by exploiting capital.

Yet unions in recent years have followed short-sighted policies

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OF
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A sporting goods manufacturer cuts his fastening cost 70% by holding baseball covers in place with Bostitch staples until the covers are sewed.

Many other Bostitch users enjoy similar savings: a tomato repacker makes up more than twice as many corrugated boxes per day; a candy maker saves 60% of his time in fastening box bottoms; a jewelry manufacturer attaches bracelets to cards in half the time.

Whatever you have to fasten . . . metal, plastics, wood, paper, leather . . . in any combination . . . the chances are that one of the 800 Bostitch machines can lower your costs or improve your product by fastening it better and faster with wire.

A corps of research engineers, and 250 field men in 91 key cities, make available to you the benefits of 50 years' Bostitch experience in solving fastening problems.

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AND FASTER
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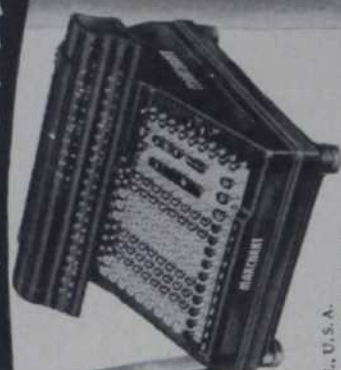
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again and again. In the last analysis, wages are determined by labor productivity. The only permanent way in which wages can be raised is by increasing this productivity. This can be done in many ways.

Primarily, productivity is increased by encouraging the accumulation and investment of capital: this is only another name for providing the workers with more and better tools. It is because Americans have more and better tools than any other workers in the world that their wages are higher than the wages of any other workers in the world.

It follows that labor productivity and wages can be increased by new inventions, by new discoveries, by whatever increases efficiency. They can be increased by more efficient management on the part of employers. They can be increased by more industriousness and more efficiency on the part of workers. They can be increased by better education and training.

Decreased efficiency

BUT one of the gravest errors of unions has been to work against productivity.

They have insisted on rigid subdivisions of labor which have raised production costs and have led to expensive and ridiculous "jurisdictional" disputes.

They have opposed payment on the basis of output or efficiency.

They have insisted on the same hourly rates for all their members regardless of differences in productivity.

They have insisted on promotion for seniority rather than for merit.

They have initiated deliberate slowdowns under the pretense of fighting speedups.

They have frowned on men who turned out more work than their fellows.

They have insisted on their dismissal, and sometimes even beaten them up.

They have opposed the introduction or improvement of machinery.

They have insisted on make-work rules to require more people or more time to perform a given task.

They have even insisted, with the threat of ruining employers, on the hiring of people who are not needed at all.

Most of these harmful courses have been followed because of the assumption that there is just a fixed amount of work to be done, a definite "work fund" which has to be spread over as many people

or hours as possible so as not to use it up too soon. This assumption is utterly false.

There is actually no limit to the amount of work to be done. Work creates work. In the last analysis, the products one industry produces are offered in exchange for the products other industries produce.

These products therefore constitute the "demand" for each other. What one worker makes constitutes the demand for what another worker makes.

Low production: low income

BUT because this false assumption of a fixed number of jobs exists, and because the policies of unions are based on it, their net effect has been to reduce productivity below what it would have been otherwise. Their net effect, therefore, in the long run and for all groups of workers has been to reduce real wages—that is, wages in the terms of the goods they will buy—below the level to which they would otherwise have risen.

This conclusion is the opposite of the one commonly drawn. The common belief is that, because there has been an enormous increase in wages in the past half century, unions have been mainly responsible for that increase. This is confusing cause and effect. The mere recollection that wages in the United States were incomparably higher than wages in England and Germany, say, all during the decades when the "labor movement" in the latter two countries was far more advanced than here, should have been a sufficient warning against this conclusion.

The real cause for the tremendous increase in wages in the past half century (especially in America) has been the accumulation of capital, and the enormous technological advance made possible by it.

Reduction of the rate of increase in real wages is not, of course, a consequence inherent in the nature of unions. It has been the result of short-sighted policies which there is still time to change. The real usefulness of unions will only be obscured, they will only be prevented from achieving their true functions, by efforts to go beyond them.

The real friends of labor, both within and outside its ranks, are those who counsel, not extravagant demands and the methods of violence, but reasonable demands and the methods of democracy and industrial peace.

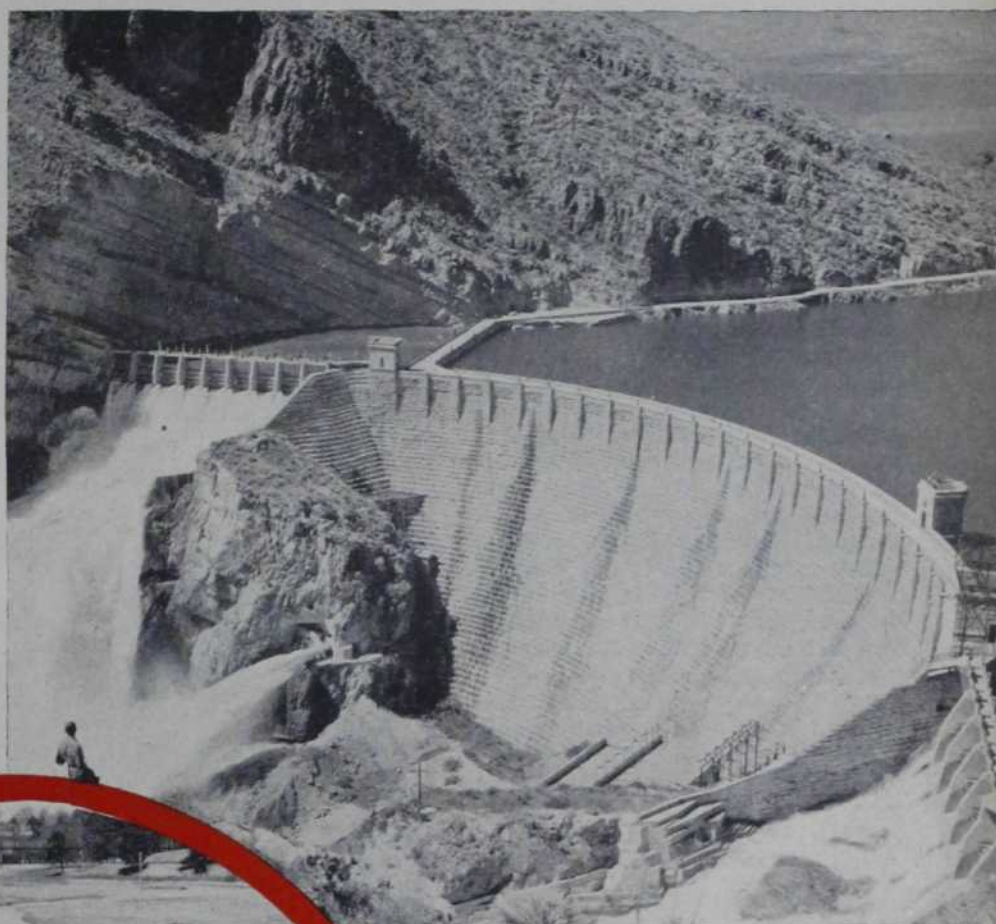
Not Controlled by a Dam Site

By FRED DeARMOND

THE NATION is being asked to pin its faith on high dams for flood control. Before we spend billions, we should know how they perform

ALL GOOD MEN are for flood control and against sin. But how to control floods and what is sin—aye, there's the rub!

A few years ago Army Engineers were exposing the fallacies of one-track minds who said the answer was wrapped up in reforestation, straightening and deepening river channels or some other pet theory. But fashions change in flood control as in millinery and dogs and Supreme Court decisions. Now the Army Engineers have a short-cut solution of their own. They have thrown away the book of experi-



BUREAU OF RECLAMATION

A full dam is fine for generating power but no good for checking a runaway river

ence and gone all-out for high dams as the preferred and practically the one and only method.

Just before and during the war, 135 flood control dams were constructed, principally by the Army Engineers. Recently they asked from Congress appropriations for 80 new projects to cost \$833,000,000 at prewar estimates. Gen. Thomas M. Robins of the Engineers revealed before a congressional committee plans to spend \$350,000,000 a year for six years on flood control and power generation. Among the list of projected river dams are some that the Army itself had pronounced unfeasible in 1932 and again as late as 1936.

The nation is now being asked to pin its faith on high dams and large impounded reservoirs of water for protection in all valleys subject to floods. More than two years



SOIL CONSERVATION SERVICE

In less than 20 years, this power dam in South Carolina filled up with silt and became useless

ago an administration directive went out to all federal agencies to plan and propose postwar projects that would require generous deficit financing. The Army's answer is dams and more dams, and its answer has been accepted as the orthodox means of flood control. Dams are the new WPA.

Floods set new records

BRIEFLY, the theory is that with a dam and reservoir to impound water at a time of rapid run-off, the stream below the dam can be held to somewhere near its normal flow. When the flood has subsided the impounded waters are to be released slowly enough to keep within the banks downstream.

A high dam is a high gamble. No engineer is omniscient enough to predict the future behavior of a stream on the basis of its past performance. So-called maximum flood levels are usually theoretical. Every year the weather smashes a lot of records. When they were soothing the misgivings of people in the St. Francis valley of Missouri before construction of the Wappapello Dam, Army Engineers in charge of the job said confidently that not once in 75 to 100 years, if ever, would the spillway be used.

It was not "conceivable," they claimed, that enough water could enter the reservoir to fill it. And yet, in 1945, just five years after completion, flood waters flowed over the spillway $4\frac{1}{3}$ feet deep,

plowing a deep gorge below. As a result, water backed up in the basin several feet over highways that the Army men had assured would be safe. The valley below the dam suffered from the longest and most destructive flood in its history.

How badly awry these engineering calculations sometimes go was seen at a dam on the Canadian River in Oklahoma where a bypass canal was built to connect with a spillway structure as part of a de-silting basin above the main reservoir. The structure was designed to accommodate a flow of 7,700 cubic feet of water a second—a capacity considered ample. But four years later came a flood discharge estimated at 130,000 cubic feet, 17 times its capacity. The

reservoir was so badly damaged it had to be rebuilt at about the same cost as the original project.

Another major weakness is the multiple-purpose feature that characterizes most flood control dams. Hydroelectric power generation calls for a full reservoir. Flood control demands a reservoir as nearly empty as possible. The Pensacola Dam in Oklahoma is an example of what is meant. In 1943, when flood waters rushed down the Grand River, the water already in the dam was at a high level for generating power, and there was no reserve capacity in the reservoir. The \$25,000,000 project thus turned out to be worse than useless for controlling the flood.

In the effort to reconcile these two irreconcilables—flood control



SOIL CONSERVATION SERVICE

Farm ponds help retain water on the land where it is vitally needed

and electric power—one dam is sometimes built on top of another to get a structure high enough to produce power at the middle level, leaving all capacity above this as a reserve against floods. This is a terrifically expensive means for either purpose.

The chief flood control merit in dams may be accomplished at relatively small cost by low, retarding-basin dams with no attempt made to impound water.

The super dam involves con-



SOIL CONSERVATION SERVICE

Proper soil conservation practices, such as contour cultivation and ridging, are effective in materially reducing floods in the valleys

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Similar service available eastbound from Los Angeles and San Francisco. No change of cars enroute in either direction.

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Departing from St. Louis on the new Streamliner "CITY OF ST. LOUIS" through sleeping-cars are routed to Portland-San Francisco and Los Angeles (via Kansas City-Denver) with no change of cars enroute. Similar service is available eastbound from the West Coast.

For complete information regarding schedules, accommodations and other passenger service to or from the Union Pacific West, inquire at your local ticket office.

TO VACATIONISTS . . . Union Pacific serves more western scenic regions than any other railroad. These include California, Pacific Northwest, Colorado, Yellowstone and the National Parks of Southern Utah-Arizona.



be Specific -
say "Union Pacific"



UNION PACIFIC RAILROAD

ROAD OF THE Streamliners AND THE Challengers

demning a very large area for the reservoir basin and is bound to be accompanied by a greatly shifting shoreline. In some instances the water depth varies as much as 80 feet. Between upper and lower reservoir shorelines there will be at low water a broad expanse of smelly cocklebur jungle that is destructive to breeding fish and waterfowl, a malaria-infested hazard to health in the community and unsuited to recreation in any form. These conditions are true of nearly any multiple-purpose dam and of many designed for flood control only.

Water tries to break loose

MANY of our best informed water management technicians maintain that impounding of water in large streams is wrong in principle. The use of retarding dams for flood control, as advocated by Arthur Morgan in the Miami Conservancy District in Ohio, is sound. Water, however, naturally resists

dammed, an immediate effect is to slow up its current and delay its run-off to the sea. This tends greatly to widen the normal channel. The water spreads farther and farther to wreak its damage. When the dam's gates are opened to deplete the reservoir, water so released gains more than normal velocity as it joins the drainage below the dam. This increases its destructive force and prolongs the duration of flooding.

Even to approach a literal definition of absolute control, a whole series of dams in the same river would be required. You would then have flood protection at the expense of submerging under permanent lakes most of the land to be protected. That, in fact, is just what has been done in the Tennessee Valley by TVA.

"It is a fallacy to assert that TVA has protected the Tennessee Valley from floods," said Representative Whittington of Mississippi, chairman of the House Committee on Flood Control. "The TVA has

strates its failure to control floods, the cure is to propose more and bigger projects to supplement it. Grand River must be dammed again at Waco in Missouri to make Pensacola Dam work. Because Norfolk Dam in the White River watershed of Arkansas is an obvious failure, there must be two more White River dams at Bull Shoals and Table Rock. So it goes all over the country.

Even where a high dam might somewhat alleviate flood severity at the start, its efficacy is short-lived because of silting in the reservoir, a process that goes on constantly in one degree or another in all of them.

The U. S. Department of Agriculture notes that Sweetwater reservoir in California lost 48 per cent of its capacity by silting in a little less than seven years.

Lake Carl Blackwell near Stillwater, Okla., an impounded reservoir for flood control and recreation, covered about 1,000 acres in 1937 and by 1944 had expanded to nearly 3,000 acres, owing to sediment accumulation. The department's water management experts computed the average useful life of 13 major reservoirs in the Piedmont region of Virginia and the Carolinas at only 29.4 years.

It is scarcely necessary to point out the effects this steady siltation has on the flood control function of dams. When a ten-gallon tub is half full of mud and you try to pour ten gallons of water into it, no imagination is required to picture the result.

But if the positive advantages of dams are questionable and speculative, not so with their many disadvantages. These are tangible and unquestionable.

1. The dam program takes out of production vast areas of our richest farm land.

According to the Missouri Farmers Association, the Army's projected reservoirs in the Missouri Valley would inundate 900,000 acres of fertile land with an annual productivity of \$18,000,000, or more than twice the estimated annual loss from flood damage in that zone.

A representative of the Jefferson County, Missouri, Farm Bureau said recently that the proposed Meramec River dam would flood 18,000 acres in his section to protect from floods 9,000 acres.

"I am convinced that the system of dams now proposed for Missouri would damage our bottom lands out of all proportion to the



SOIL CONSERVATION SERVICE

Floods are not an unmitigated evil. Here a rich layer of silt has been deposited on the original soil by floods

being pent up. From flat regions such as Oklahoma and Nebraska come reports that seepage has bubbled up in the form of "sand boils" to ruin large acreages around the reservoirs.

When a stream has been

put in the bottoms of reservoirs substantially all of the lands that were subject to overflow. . . . The flood problem of the Tennessee Valley has been eliminated by submerging its valleys."

When an Army dam demon-

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"I* make electrical relays and switches here in Chicago. My plant is small. A prospective customer recently called on me to place a substantial order. When he went through my factory he stated quite frankly he doubted my ability to produce the order. I asked him to reserve judgment and took him for a little excursion around the city. Within a few hours we visited my tool and die maker, a screw machine shop, three plating and finishing firms, (each a specialist in a different type of finishing), a metal fabricator and other suppliers.

"'You're not a small outfit, mister,' he concluded. 'You're in mass production with departments for every process at your finger tips.' He placed his order and I agreed to start delivery in 30 days . . . was actually shipping in three weeks. In today's market I find this diversity of facilities most helpful. To me, Chicago and Northern Illinois is a practical 'department store' of industry."

*Name on request



This true story typifies the war-time operations of thousands of Chicago manufacturers who could not hope to provide for every manufacturing process within their own walls. It helps to explain why this area became the nation's subcontracting center, producing by the war's end 23% of the nation's electrical machinery, for example, and 40% of the electronic equipment.

Utilizing cost-saving techniques, many small manufacturers in Chicago and Northern Illinois are today in mass production, despite limitations of inside facilities and capital investment. They have learned how to produce and make delivery from this industrial area easily, quickly, economically—and in large quantity.

Our staff of trained industrial engineers is prepared to answer any inquiries about the many economic resources of this area. On request they will make a special detailed study, for your business, of the various factors which make Chicago and Northern Illinois such a strategic industrial location. This work is carried on without charge. All inquiries are handled confidentially and promptly.

Industries locating in this area have these outstanding advantages: Railroad Center of the United States • World Airport • Inland Waterways • Geographical Center of U. S. Population • Great Financial Center • The "Great Central Market" • Food Producing and Processing Center • Leader in Iron and Steel Manufacturing • Good Labor Relations Record • 2,500,000 Kilowatts of Power • Tremendous Coal Reserves • Good Government • Good Living • Send for free booklets containing useful information on these advantages.



This is the tenth of a series of advertisements on the industrial, agricultural and residential advantages of Chicago and Northern Illinois. For more information, communicate with the

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benefits the dams might develop in the control of floods," says W. C. Etheridge, Professor of Field Crops, Missouri College of Agriculture.

2. The dam program uproots established communities and plays hob with individual, local and states' rights.

The proposed Osceola dam on the Osage River in Missouri would submerge wholly or largely nine towns, and force 4,000 people to relocate at a time when houses are scarcely to be had anywhere.

Army Engineers admit that it would also liquidate 52 miles of state and federal highways, 450 miles of county roads, 40 miles of railroads, 47 miles of power lines, 212 miles of telephone lines, 17 rural schools, six churches, 22 cemeteries and rich mining lands.

Justification for this "second Order No. 11," as Congressman Marion Bennett called it, is the hope of the Army Engineers that impounding the Osage would reduce the flood level of the Mississippi at Cairo, Ill., by 12 inches.

This project has been recommended by the Engineers and authorized by Congress, notwithstanding repeated protests by the people of the four affected counties, by their representatives in the state legislature, by the Missouri House of Representatives itself, by the congressman from that district and by various state government departments as well as voluntary organizations.

Although the item of \$52,000,000 for construction was eliminated from the deficiency appropriation bill near the close of the last session of Congress, it was brought up before another appropriations subcommittee in the new session just ten days later.

Only heavy-caliber political influence has weight in opposing the construction of these dams, as the Potomac case illustrates. The Army Engineers drew a plan for 14 dams in the Potomac River watershed, including the beautiful Shenandoah Valley, to cost \$235,000,000. But the people of Maryland, Virginia and the District of Columbia opposed it militantly. They brought into a public hearing Senator Harry Byrd of Virginia, former Secretary Ickes, and a number of other well known and powerful spokesmen in Congress, the executive departments in Washington and including even a major-general in the Army.

Faced by the unyielding opposition of these men as spokesmen for the people, the military engineers had to withdraw the project. Resi-

dents of other valleys at a distance from Washington, whose homes have been selected for lake beds, have just as much love for their native heaths but usually lack the organization and influence to sway the flood-dams juggernaut.

3. The dam program diverts attention and money from other worthwhile water management practices.

An increasing number of civilian experts are turning to flood control action near the headwaters of streams where floods originate. That is preventive; it treats the cause, while anything done on the rivers below is curative. Although neither approach can be omitted entirely, the preventive deserves more attention.

While revegetation, contour cultivation and terracing, farm ponds and other conservation practices on the land are, of course, not in themselves the whole answer to flood control, they all help retain water on the land where it is needed and materially reduce floods in the valleys. Experiment station research has demonstrated that proper soil conservation methods will reduce by as much as half the run-off of water from intensively cultivated fields. One U. S. Soil Conservation Service expert reported that in two Texas communities with different soil consistencies, terraces stopped all water from exceptionally heavy rains—in one case up to 25 inches in 60 hours.

Dams proposed by the Army in Missouri alone would cost about \$400,000,000. According to an estimate made by the Missouri College of Agriculture, some 17,000,000 acres of land in the state would benefit by terracing and the job could be done complete, including filling of ditches and building water outlets, for \$10 an acre. That is less than half the contemplated outlay for dams, and it would treat the cause of floods directly.

The Army's flood cure-all is made more complex by claims for certain secondary advantages of the dams: particularly power generation, navigation and recreation. An analysis will show that all three are rationalizations made to bolster a weak cause.

Hydroelectric power is a whole story in itself. As we have already shown, a dam built for generating power is one thing and a dam for flood control is another. As even Colonel (now General) Reybold of the Army Engineers put it some years back, "the two purposes are fundamentally antagonistic." But whatever the nature of the dam,

this power argument collapses by collision with two facts:

1. Power can be produced cheaper by other means. Charles W. Kellogg, president of the Edison Electric Institute, asserts that hydroelectric power now costs 60 per cent more to produce than steam electric power.

2. The country already has all the power facilities it can use or is likely to need for several years. The turbines are idle much of the time in many of the power dams. Existing facilities at the great Bag-nell power dam in Missouri have not been used except as reserve sources of energy for seven or eight years. Army Engineers admit there is no present market for power from the proposed Bull Shoals dam in Arkansas, but they hope a demand may be developed "in several years."

As for more river navigation, that is about as practical as it would be for the federal Government to set up a chain of plants to manufacture better buggy whips.

Industrial and resort development are the lures used to bait local community boosters. Both hopes have almost invariably been disappointed. For recreation, people want natural lakes and clear water streams. Cheap power—cheap only because the taxpayers subsidize its production—does not attract new industries. Tennessee with its TVA power has less industrial growth than its neighbor states without TVA's.

No discussion of flood control would be realistic without the frank admission that it is neither possible nor even desirable to prevent floods completely.

Where water doesn't stand on the land too long, a degree of flooding which deposits a thin layer of organic silt enriches the soil as well as insuring a season's supply of moisture. One veteran Missouri farmer said the best crop of corn he ever raised was on land that had been flooded in the spring. There is reason behind the old Hindoo proverb: "One good flood is worth 100 baskets of manure."

But this is not to deny that floods may be, and are, highly destructive. They should be restrained by every means that will yield results proportionate to the cost. No one way of fighting floods will suffice. Proper land use on the watersheds is the No. 1 resource. Levees will continue to play an important part. There is a place for dams but not those mammoth monuments to the Army Engineers now being raised all over the land.

Washington—Stepchild of the Nation

(Continued from page 43)

time the District had a delegate in Congress, a governor and a legislative assembly with an upper house appointed by the President, and a lower house elected by the people. Washington and the District of Columbia were made co-extensive. U. S. Grant was President then, and today Maj. Gen. U. S. Grant III is chairman of the National Park and Planning Commission.

Commission replaced local rule

WITHIN a few years, bureaucracy again tightened its stranglehold. Congress, on June 20, 1874, abolished all representatives of the people and provided that the President should appoint three commissioners to govern the District. Congress also broadened its control over finances and its interference in other District affairs.

One commissioner must be an Army officer, above the rank of captain, with 15 years' service in the Engineer Corps. Public works contracts fall to him and Washington does not provide juicy pickings for political contractors. Three years' continuous residence in the District, in addition to catching the presidential eye, is the only requirement for the other two \$9,000 commissioner jobs. A few years ago, the Senate refused to confirm the appointment of a commissioner who had sworn in court that he was not a resident and should not pay taxes. Differing from other cities, however, a surprising number of Washington's upper bracket municipal officials live in neighboring Virginia and Maryland.

Contrary to popular opinion, attending banquets and official receptions are not the only activities of a commissioner. Visitors to the ancient Municipal Building are courteously greeted in a well-fitted office even if a commissioner is not there. A commissioner can receive White House instructions by telephone, but a rampaging congressional committee may require his personal appearance. A favorite Washington story records President Roosevelt's hearty laughter when a prospective appointee protested that "the commissioner's duties might take time from my private business."

Following the commissioners, with only a moral responsibility to the people, are 27 or more boards which are even farther from public control. The Board of Education is appointed by the District judges, other boards by the commissioners. A few appointees receive salaries, some others fees or a per diem rate, but most members, particularly on the more important education, library, recreation, vehicle parking and welfare boards, serve as a civic duty without pay and often with more criticism than thanks.

In addition to making serious recommendations without authority to put them into effect, a board can take the heat off the commissioners. Congressional wrath was directed at the welfare board recently after two residents of death row escaped from the District prison by using a can opener.

Congress got into a wrangle about whether commissioners or the welfare board will be responsible for the District's reformatory institutions and their employees. As the commission appoints the board, the man-on-the-street passes it off as more official "buck passing." In any case, residents of Washington can do nothing about their home-town jail.

Old-timers describe the District prison where police are detailed as guards as the "softest crib to crack" in the country. A scathing FBI report describes this prison as a combination blind pig, assigna-

tion house and gambling joint where prisoners get privileges for a price and can leave almost at their pleasure.

As in all cities, a Washington resident sees more police than any other minions of government; and in Washington he sees a lot of them as most of the force is detailed to traffic duty. Possibly on the theory that the sidewalk sheep may be both color blind and deaf, busy corners also are decorated with neon signs which flicker from "Walk" to "Don't walk."

Like the Bolsheviks who overnight transformed the hated czarist policemen into militiamen without changing their uniforms, Washington policemen are privates or higher imitation Army grades. Congress, which always has time for trivia, conferred the title of colonel on the previous chief. The present chief is a mere major. In contrast, the fire chief, who has reduced Washington's fire hazard below that of any other like-sized city, frets under the prosaic and dubious title of chief engineer.

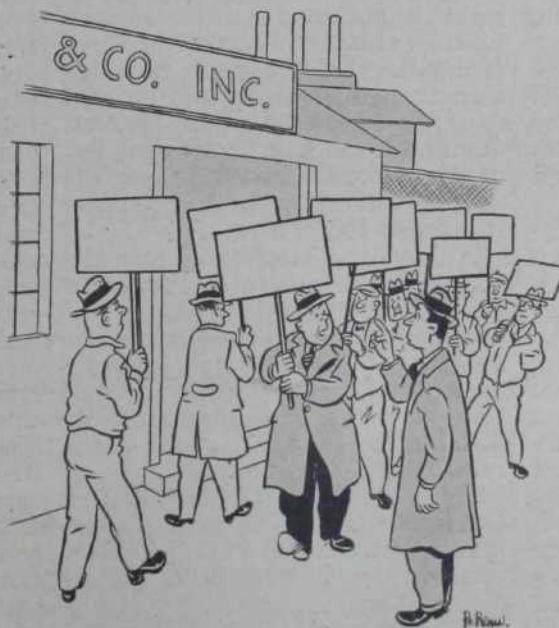
Drinking has many rules

THE individual who finally manages to cross the street to a bar or restaurant finds that by law he must do his drinking sitting down and will not be served a second glass until he has drained the first to the last drop. Of course, he can stand up for a drink in a home or at the Elks, Officers or National Press Clubs. Wine must not be sold in a container larger than one gallon and must have 12 per cent alcohol so it will not sour in a sunny window.

Like the flashy dresser who makes a front with a gaudy necktie and hopes nobody will notice the holes in his socks, Washington shows its clean streets, green parks, imposing government buildings and art galleries, foreign embassies and boulevard mansions and trusts that visitors will be too tired to wander farther afield.

Slum clearance, hardy perennial of most cities, gets a big play in the national capital. On the show side, Washington has the largest park area of any city and, on the living side, the slummiest of slums with more rats than people. How it shadow boxes with the problem is typical.

Civilians who want better housing—not necessarily those who live in the 50,000 substandard dwellings—are



"The sign painters' union is on strike, too"

sincere and keep the subject alive. When a legislative session opens, a kindly congressman introduces a slum clearance bill. It is referred to the District of Columbia Committee of either the Senate or House. It moves to a subcommittee for hearings. The members have more important committees to attend and slum clearance in Washington will not bring any votes in their home states.

By the time the subcommittee meets, other bills on the same worthy subject have shown up. Their various merits—government housing *versus* private building, the conflicting views of social and not-so-social workers on what is a slum—all must be heard and debated. Eventually the subcommittee may recommend a bill to the full committee which may report it, or a modification, to the House or Senate, depending on its place of birth. If it passes either branch—usually it doesn't—it then goes to the other for like treatment and finally to the President for his approval.

One of the bills which the House subcommittee has just considered was first introduced in 1943, and it is only a child among slum clearance bills. Each year they die on the calendar when Congress adjourns while each month Washington's ramshackle dwellings become more squalid.

Publicity gets no results

"WHY don't civic organizations and newspapers force action?" ask those familiar with methods in their cities. The answer is obvious—residents of Washington can only talk, not vote; and a newspaper with 3,000 circulation in the congressman's home district has more influence with him than one with 200,000 in Washington. Even the newspapers, realizing that the national Capital is governed by remote control, are prone to lapse into a detached attitude.

One sent a reporter and a photographer to a Kentucky mining town to get a feature on squalid living conditions. Two days earlier, the American Public Health Association had reported that housing conditions in Washington were worse than any other city it had surveyed. That did not get any photographs or extended mention in the local newspapers.

Washington's most prolific writer on social uplift voiced her horror at the "corruption of human character" when citizens are denied free expression of their choice and opinions at the polls. She was

writing about Memphis, not about Washington which, though closer to home, is looked on as a laboratory specimen in government rather than a city of normal Americans.

Columns have been written and more will follow through the years on the inadequacy of Washington's public schools and hospitals. A government which has lavished millions to build and equip such institutions in the Amazon jungles and Andean plateaus haggles over spending a few thousands on schools and hospitals in its own capital.

Criticisms of staff shortcomings may occur in any institution. The serious shortage in Washington is lack of proper buildings and equipment, things easily remedied by money and construction. Overcrowded schools have relays of part-time classes. One has only two washbasins for 380 pupils.

Washington should have 4,970 hospital beds but has only 3,843, of which 2,000 should be replaced. Different hospitals are supported by the Government, District and private organizations. They are rated lowest among cities of more than 500,000 population. While any will care for an emergency case in its neighborhood, they bicker while patients groan and sigh, until authorities decide whether the charge should be on the Government or on a District institution.

In finances, the confusion between nation and District shows in figures. Though the President and Congress give the orders, the District stepchild pays the bills. When Congress took over in 1878, it agreed that the national Government should pay 50 per cent of District expenses. The other half was to be obtained from local taxes, licenses and fees. In 1922, the Government's contribution was reduced to 40 per cent, and in 1938 to a flat \$6,000,000 a year—which amounted to about eight per cent of the expenses in 1945. Congress now is pondering whether to raise its ante to 20 per cent.

A traveling salesman's expense account is primitive compared to that which an astute Treasury Department hands to the District. In general, if the District sends a patient to a government institution—such as Freedman's or St. Elizabeth's—it pays a per diem rate. Last year it paid \$2.35 a day for 4,500 in St. Elizabeth. If the Government sends one to a District institution, such as Gallinger Hospital, it pays nothing.

The District also supports a workhouse and a reformatory with more than 1,500 prisoners at \$2,-

000,000 a year at Lorton, Va.; a District Training School for some 600 feeble-minded, \$500,000 annually, at Laurel, Md.; and a Tuberculosis Sanatorium with 500 patients, \$1,500,000, at Glendale, Md. No charge is made for government prisoners or patients, though there is a question whether institutions in other states should not be entirely supported by the Government.

A thrifty Government also receives services which Congress charges to District expenses. Government parks and buildings consume a lot of water. The District pumps it, maintains the system and the Government doesn't pay a cent. Congress argues—and naturally it always wins—that government employees spend a lot of money in Washington. So do those of a big employer in any other city, but he pays for services and also pays taxes.

Large part is tax exempt

NO other city has an equal proportion of tax-exempt property. More than three-fourths of it belongs to the Government and a bill has been passed to requisition more. After deducting streets, alleys and rivers from the District's 69.245 square miles, only 48.463 square miles of assessable property, including 40 farms, remain.

More than 50 per cent of the taxable area of the city and 40 per cent of the possible revenues are tax exempt. All cities exempt municipal property, religious, educational and charitable institutions. Other countries do not collect taxes on our diplomatic establishments abroad. The District of Columbia carries the load in the United States.

Other revenues add to the property taxes to meet an annual District budget of \$70,000,000 to \$75,000,000.

Income taxes are a local eccentricity. In New York an owner pays state income taxes, regardless of where he lives, if his business is in the state. Mindful of their own state revenues, Congress refuses such a law to the District and a business man, as a lawyer or physician, whose earnings come from the District is exempt from District income tax if his legal residence is in another state, usually within easy driving distance.

That may attract hopefuls who contemplate a hegira to Washington for a government job. However, assessments and soft touches are higher than taxes. Although Civil Service forbids office collections for

a bouquet every time a chief clerk starts a vacation or remarries, nicking a government employee two bits or a dollar for charity is departmental practice. A quota is fixed for each department.

I asked a dependable contributor why his name was not on the neighborhood list for one of these national drives.

How funds are raised

"IN the War Department, a colonel and staff are detailed to collect for these funds," he explained. "It is all figured out on a salary basis and everybody must come across for the glory of the Army."

Programs of the National Symphony Orchestra concerts give the names of fund-raising chairmen with those of officers, box holders and other elite. Wives of generals and admirals head the Army and Navy committees, while solicitation of other government employees is, of all things, under an "honorable" Civil Service commissioner. Any donor of less than \$10 receives the title of "friend;" more than \$25, "member;" while those who top \$1,000 are "sponsors." Other ranks fit intermediate amounts.

Only those who do better than \$250 get their names into print. The Navy Department is in the top bracket with \$1,000, certainly not diverted from Navy funds but taken from employees. The Agriculture Department was above the \$500 mark, while Internal Revenue, Civil Service, Commerce, Government Printing Office, Maritime Commission, State, Treasury, and War gave something less.

Panhandling defenseless government employees is paralleled in higher circles and on a broader scale in the diplomatic set. Hearts and pocketbooks of Americans are wrung with an embassy's harrowing stories of how its countrymen at home are facing starvation and misery. A few days later those who read the society columns are informed that the same embassy staged a party for 2,000 or 3,000 of the capital's social and official elect with a riot of food and drink.

Washington is like that—contrasts and contradictions; much talk and little done, a national responsibility which few realize. It has charm, treasures of art and science, wisdom and statecraft with ineptitude and grime behind the false front. It is the heart of the nation and should be its model city. A first step is to give its citizens the same rights as other Americans.



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Our Toonerville Airports

(Continued from page 52)

plans are designed to accommodate all types of air services, and are developed to provide the maximum facilities for services in the region.

Chicago's regional plan, for example, embraces 15 counties—three in Indiana, three in Wisconsin and nine in northeastern Illinois. It provides for 72 airports of all types by 1960. The plan calls for 12 publicly owned major airports, to be partially financed by federal funds, 30 intermediate airports, to be partially underwritten by the states and municipalities, and 30 smaller airports to be developed with private funds. The development is to take place gradually over the next 14 years.

Chicago has experienced one of the greatest increases in air traffic in the past few years of any city in the world. Its traffic has risen from 51,200 arrivals and departures in 1940 to an estimated 127,000 in 1945—340 a day. By 1950, it expects to double this rate.

Modernization under way

THE Chicago Municipal Airport is recognized as operationally satisfactory up to its capacity, which it has now about reached. Its old terminal building, however, has been greatly criticized. With more than 5,000 persons passing through the waiting room daily, it has seats for only 28. It has a half dozen telephone booths, before which are almost continuous lines reminiscent of nylon hose queues. A tiny luncheonette capable of handling about 50 persons, and cramped ticket counters extending into a dead-end passage, make the terminal a perpetual jam.

Executive Director H. Evert Kincaid of the Chicago Plan Commission reports that a spacious, modernistic terminal building and considerable additional plane parking space are now nearing completion. A series of four "duplex" terminal buildings servicing two air lines each—with eight phone booths in each unit—have also been recently finished at the site of the new terminal building. Marshall Field will operate all public facilities, a new departure being met with favor by the airlines. The small "duplex" units are also a new development conceived by Albert F. Heino, UAL architect. He anticipates that this will make the field adequate for the city's traffic for

five years while the regional plan is getting under way.

The key to Chicago's master plan is the large airport operated by the Army during the war to serve the Douglas Aircraft plant near Park Ridge. All but about 200 of its 1,300 acres have been deeded to the city, and it is to be enlarged to 5,200 acres to provide for terminal and airway facilities which might ultimately accommodate all of the air traffic estimated at 212 plane movements per peak hour. The program is being delayed, however, because of resistance to condemnation proceedings on the additional land required. A northwest expressway is being built to connect the field with the Loop.

A model for airports

THE BEAUTIFUL 750-acre Washington National Airport, on the Potomac River, is almost unanimously pointed out as the best of existing fields handling heavy commercial traffic, with the most modern terminal building in the country. Built in 1941 with federal funds, it is a wholly federal-operated enterprise, and is considered a model for other airports in administration.

It ranks a close second to New York's LaGuardia in the number of planes and passengers accommodated daily. Washington handles an average of 700 planes every 24 hours, in good weather, while LaGuardia recently hit an all-time peak of 756 planes in one day. More than 104,000 passengers arrive at or depart from the Washington field each month compared with 30,000 to 40,000 a month three years ago.

In good weather, the field can handle as many as three planes a minute during peak hours and it services every type of plane from personal light planes to four-motored transports. In one day last spring 96 personal planes were lined up on the huge field.

Yet the terminal is admittedly far from adequate for today's and tomorrow's needs, according to its administrator, Hervey F. Law.

"Back in 1941 when the field was built," he says, "we were severely criticized for having overbuilt. Now look—I've had to get \$3,098,000 in additional funds to add three stories to the terminal building, lengthen it 240 feet, and build four new hangars. We need a dozen more gates to load passengers, and

every foot of new office space has already been booked by airlines, with several of them still not satisfied. Now I'm asking for money for another hangar, more plane parking space, and an overpass to the highway."

Law is also asking for another 7,000-foot runway paralleling the present principal runway, 750 feet away, practically to double the capacity of the field with separate in and out strips. Theoretically, says Law, the port could handle 1400 movements a day in good weather, provided schedules were spread more evenly over the 24 hours. About half of the day's flights are handled in the peak hours of 9 to 10 a.m. and 5 to 7 p.m.

In instrument weather, it takes six minutes or more to bring in a plane—a condition which prevails about 20 per cent of the time. This is a problem of every field in the country, and one that can only be reduced by improvements in instrument landing facilities and in airplane design. The CAA is now experimenting with a radio-control technique which may greatly increase the rate of plane-handling in instrument weather. One hundred fields throughout the country are installing this system at a cost of \$25,000 each.

Washington National Airport is one of the few in the country making an operating profit. In the fiscal year ended June 30, 1945, it grossed \$495,000 from all sources, and showed a net excess over operating costs of \$52,000. This does not include amortization and depreciation charges. This year, Law expects the gross to exceed \$650,000. As revenues increase, he sees no reason why amortization charges cannot be met.

Few airports can repay costs

MEETING amortization and depreciation charges licks most airport financial programs. Less than ten per cent of the fields in the country that are publicly operated earn a dollar toward retiring the original cost.

A peculiarity of airport financing is that fields must necessarily be built to handle a much greater capacity than existing conditions demand. By the time it reaches capacity use, the deficit is so huge that it takes another five or ten years to overcome it. Under these circumstances it may take a field 20 years to begin paying for itself—by which time it may be made obsolete by new modes in travel.

Law believes fields can be made to pay by developing non-aeronautical revenue rather than de-

pending on the income from airlines. Washington Airport's income for 1945 included only \$66,000 in landing and ramp fees from airlines which also contributed an excess of \$100,000 for rental of office and ticket counter space and other charges. This is much lower in proportion to the total income than other fields, where non-aeronautical revenues are not fully developed, and landing fees are larger, as at LaGuardia. There, airlines pay \$200 for the first three scheduled flights monthly, \$150 for the next three, \$100 for the next three and \$25 per flight thereafter. In Washington, the charge is \$75 for the first four and \$25 per flight thereafter. Office space rental is \$2 per square foot at LaGuardia against \$1.50 at Washington.

Concessions pay more

IT WAS the non-aeronautical revenue that balanced the books at Washington. The past three years, since Law's management began, saw a tripling in this revenue, while airline charges remained pretty constant. The several dining rooms, snack bar, and barber shop—all operated by one concessionaire—grossed more than \$1,130,000 in the past fiscal year, of which ten per cent went to the airport. The gasoline franchise brought in \$12,500, and the ten per cent rental against other concessions—souvenir shop, flower shop, newsstands, taxicabs, contributed another \$50,000.

A contract with an advertising company which erected attractive diorama displays yields \$632 a month. The advertiser also publishes the only airport newspaper in the country, and pays an additional \$160 a month to the administration for it.

Plans for the future include coordinated travel tours with bus lines, expanded sight-seeing plane trips, a 150-room hotel, a garage for motorists, a parking lot charge for transients. A special dining room is to be built for catering to parties, and there will also be a shopping center, an office building and possibly a newsreel theater. All this is expected to increase the airport's income close to \$1,000,000 a year.

The financial picture is even more interesting because it carries on its pay roll types of employees usually not paid for by other airports. It pays for its own policemen, firemen and snow-removal workers while fields like LaGuardia

get these services from the city of New York. Washington Airport's gross pay roll last year was \$369,000—more than one-half of its income.

A change in administration may be the solution to putting many airports on a paying basis, according to Dr. Lynn G. Bollinger of Harvard Business School.

After a survey of 51 airports, excluding LaGuardia and Washington, Dr. Bollinger pointed out that there are serious handicaps with public administration of airfields. He recommends a complete submission of airports to commercial interests to eliminate political influences which often interfere with operation of airport terminals for the public interest.

This opinion from an authority quite outside the aviation industry coincides with a new plan considered by airlines—to promote terminal corporations. These corporations would be comprised of airline personnel, or of completely independent contractors, to operate all the ground facilities. Under this plan, CAA would have control of the air and safety regulations, the corporation control of the public services, and the municipality which built the airport would collect its rents without jurisdiction over operations.

Income from sidelines

MANY fields find lucrative sidelines in flying schools, accessory shops, repair and storage of personal planes. The unique sky-ranches of Denver and Los Angeles feature dormitories to board students for summer vacations, have spacious refreshment stands and restaurants; and have plans for drive-yourself auto services and such recreational facilities as swimming pools, ping-pong, tennis courts and horseback riding.

A few of the major airport plans, like Boston's, include newsreel theaters, small hotels, and shops han-

dling foods, drugs, clothes, cosmetics and jewelry. There is also talk of some fields having children's playgrounds.

The Lockheed Terminal at Burbank, California, is a typical privately run venture which pays off in profits as well as service. Considered one of the finest fields on the West Coast, it grossed more than \$4,000,000 last year. Most of the income was from non-aeronautical ventures, plus heavy rentals from Lockheed. Commercial airlines, however, are expected to transfer to the City of Los Angeles Airport as soon as expansion is completed, leaving Burbank for personal traffic and other carriers.

Operated at a profit

ST. LOUIS' Lambert Field is an example of a city-operated airport which has shown a consistent profit. Plans for expansion of this field provide for adding two runways to the present principal runway of 6,000 feet, to form a triangle with two 7,000-foot arms and a 9,000-foot base. Eventually, there will be parallel runways, separated from the original single system by 750 feet, a new engineering development being adopted by many fields practically to double their operating capacity. Private interests are developing recreational and commercial facilities on or near Lambert.

Before the war, New Orleans' monument to the Huey Long regime—Shushan Airport—with only one major runway, was more than ample for the city's needs. Now an important air gateway to the South, New Orleans is going after air business in earnest. It recently dedicated the largest commercial airport in the country—Moisant Field. Opened May 1 for passenger traffic (freight is handled in another new development in over-all plans), the 1,380-acre port has three mile-long runways, and is designed for the biggest of tomorrow's planes.

New York City, the greatest flying center in the world, will become even greater as international service expands. It was one of the last to adopt a regional plan, the study of which has just recently been started.

LaGuardia Field, built five years ago with \$17,000,000 of city funds and \$22,000,000 from WPA, was once thought adequate for at least 15 years. It is hugging capacity operation now, with little chance for expansion. It is hemmed



"In appreciation for what you have done," now if you'll please extend your right foot



Blood Stream

Here comes the community's lifeblood...via railroad

It's made up not only of food and fuel and clothing. It's made up, too, of things on which jobs depend—the materials for industries and farms and stores that keep them going. It's made of quick, economical transportation for the community's products to profitable markets. It's made of people who come and go with ideas and projects and ambitions.

Yes, through its arteries—the railroads—the country gets life and growth!

It's our job, at the American Car and Foundry Company

to help make possible ever better, ever smoother-riding, ever more economical and dependable railroad service. And you—personally—benefit in many ways from the advanced railroad equipment we design and build:

Passenger coaches—dining cars—sleeping cars—
—with comforts and luxuries never before
approached, for your travel ease.

Freight cars—sturdier, lighter, more efficient, to
help lower the ultimate cost of things you buy.

Tank cars—refrigerator cars—mine cars—even
railroad car wheels—equipment that makes



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your life better today; that will help bring you
an even brighter tomorrow.

We take tremendous pride in American Car and Foundry products. They are designed and made with a single aim—to provide such distinct operating advantages that any railroad using them will be better equipped to prove that:

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NATION'S BUSINESS for August, 1946

American
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"Quality and Vision in Railroad Transportation"



Is there a pipeful of "Country Doctor" ahead?

Sure there is! And it's as invitingly cool as a drive along a mountain top. Yes, it's Route No. 1 to Mildness and very smooth going all the way, from the first fragrant puff. Verily, it's the Tops in Tobacco.

Country Doctor Pipe Mixture

The pipe-smoker's ECONOMY-LUXURY



25
Pleasureful
Pipefuls
25¢

TRY IT TODAY

If your dealer doesn't have it — write Philip Morris & Co., Limited, Inc., Dept. C9, 119 Fifth Avenue, New York

in keeping with
the best Maryland
traditions of
gracious living ...

Costly...
but worth it

In fine places
coast to coast

From a land of
lavish living



NATIONAL
PREMIUM
BEER

in on both sides by hangars and front and rear by a bay and a highway. Idlewild, eight times its size, and costing four times as much, is expected to open shortly and take much of the load away from it, perhaps relegating LaGuardia to a secondary port for personal planes and non-scheduled service. An airport authority, on the style of several successful operating units throughout the country, has recently been set up to manage both fields.

LaGuardia is reached by air travelers from Manhattan by limousine, after a 35-minute trip, an irritation to many air travelers. The New York Airlines Terminal from which the cars originate, is pointed out by J. B. Bayard, Jr., noted airport engineer associated with Smith, Hinchman and Grylls, architects, as typical of poor planning. Airline counters are spread around the terminal in a complete circle. A person approaches one airlines counter to learn there is no space available. He proceeds around and across the spacious terminal to half a dozen other lines before finding space or giving up. If he tries to reserve space by telephone, he may waste a half hour.

The solution, thinks Bayard, who was active in both the CAA national survey and that of ATA, and some airline people agree, is a consolidated ticket counter in major terminals.

Express highways to town

TO OVERCOME the handicap of long distances from airports to business sections, express highways are advanced as the immediate solution. Small rooftop supplementary landing fields in or near business districts to handle rotor-type flying buses from major airports is another idea being discussed. Detroit and Chicago are taking advantage of express highways, but New York so far hasn't any such plan.

Recently reopened Newark Airport, considerably improved by the Army so far as runways are concerned, is already handling 130 flights daily from a half dozen large lines and several non-scheduled lines. The Newark field's terminal building, however, has only six seats in a tiny lobby. It has a minute stand-up snack bar and newsstand which operates off the floor. There are only three telephones working, more than 150 feet from the waiting section. It has considerable runway space and taxiways and miles of narrow landing strips for personal planes. Just now hun-

dreds of "sitting ducks"—surplus Army planes—are lined up on them. When the Army relinquishes use of the field completely, a new terminal building will be erected.

Handicap of rapid growth

DETROIT'S City Airport is one of the most harassed in the country. Before the war, Detroit was only a moderately active air center. War production by its industrial plants pushed it to the fourth busiest air center in the country. City Airport, previously more than adequate for its needs, is incapable of coping with the expanding air traffic. Airlines have served notice they would pass up the field. PCA is already working out of the Wayne County Airport under special arrangements with the Army.

City Airport's longest runway is 6,700 feet, sufficiently long for today's planes, but perhaps not for tomorrow's. It would be too costly and physically impractical to accommodate the swelling traffic because of surrounding hazards. Directly in line of one of the main approaches is a gas tank rising more than 150 feet in the air. This obstruction creates strong currents which give planes a tossing around when they come in for a landing.

A recent engineering survey of the Detroit region outlines seven regional plans involving 30 or more airports, including several major fields. It omits the present City Airport from all of its plans as a major airport.

Three suggestions were offered for major ports. The survey strongly recommended an international airport in Windsor, Canada, as the first choice, because of its proximity to the center of population, the low cost of developing it into a major field, and the lack of air congestion from personal planes. The major drawback was its location on Canadian soil, necessitating a special treaty with the Canadian Government which seems willing to cooperate.

The Wayne County Airport was given third consideration in the seven. The City Council, however, passed over the first two recommendations and elected to transfer activities to Wayne County as soon as the Army releases it. The theory is that of the fields in Detroit already built, it would cost the least to enlarge to a major port.

The question, also, of just what is an ideal airport, seems too difficult to be answered, even by engineering experts.

First consideration is the needs of the community. An ideal airport

for a community capable of supporting only personal flying and charter services, would be useless in a section which warrants a large commercial field.

Then come local weather conditions. Detroit can get by with the Wayne County Airport with only two principal parallel runways, and two small wings, because 94 per cent of the time the wind is constantly in northwest-southwest direction, obviating the need for several supplementary runways. The Idlewild site in New York, however, is subject to constantly shifting winds. It calls for a system of eight runways, any three of which can be used for landings, depending on the wind direction.

The volume of traffic expected, the kind of air services, and the population of the immediate area, are other important factors which particularly influence terminal buildings. Finally, the terminal buildings themselves are determined by the imagination of the operating agencies who may want to develop non-aeronautical features to the utmost.

Points of a good airport

CHARLES FROESCH of Eastern Air Lines and a noted airport authority lists eight points which make a good airport: flexibility, suitability of location, adequate size, freedom of obstructions, proper zoning, favorable meteorological conditions, availability of utilities; proper balance between airfield and buildings.

Flexibility is the most important point, he says. An airport should be so laid out that runways can be lengthened, terminal buildings expanded and hangars added.

Numerous obstructions, such as are prominent in the Baltimore Airport, materially reduce the efficiency of a field. Built in the heart of the industrial section, it has no less than nine gas and water tanks from 60 to 168 feet high, 12 smokestacks towering up to 230 feet, and three (177 feet high), high-power electric lines stretching across it, in addition to nearby plants and a railroad running up behind it.

Yet it would hurt Baltimore far more to raze or move these industrial fixtures just to make room for the airport than it would benefit by such improvement.

Expanded highways brought automobiles out of the luxury class into a habit for the masses. In the same manner, an adequate airport system can bring aviation to the millions, too.



Complete Harmony in Kansas

* It is very true that Kansas meets industry half-way. Kansas' labor is 97% American born, 94% white . . . rural in origin, experienced, intelligent and neither inclined nor suscep-

these are
important,
too . . .

Kansas' strategic location means big savings in time and costs for executive and administrative travel. Sales management is nearer to all territories, salesmen nearer the home office. Distribution time is reduced, costs lowered. Consider these with the many other advantages Kansas offers and you have a combination that is hard to beat anywhere.

tible to radicalism. Kansas' business and professional population is wholeheartedly cooperative . . . tax legislation is favorable and labor laws are equitable. Kansas' banks offer every necessary facility. Kansas' farmers are industrious, prosperous and progressive. All in all, it is a harmonious combination that you will enjoy profitably.

You will be interested in the brochure, **Let's Look Into Kansas**. Ask for it on your letterhead.



KANSAS INDUSTRIAL DEVELOPMENT COMMISSION

KANSAS *REALLY* MEETS INDUSTRY HALF WAY

WILLIAM E. LONG, Secretary-Director
813-E Harrison Street, Topeka, Kansas

These Crazy Customers

(Continued from page 46)

candy were only window dressing. In fact, he discouraged trade in those commodities. His "take," he confessed, made his concession a better paying proposition than the hotel. It wasn't long before the hotel Boniface came to the same conclusion, and "muscle in" on his most lucrative facility.

Some summer cottages and bungalows brought higher rents this season than they could have been bought for in 1940. Veritable shacks rented for \$1,000 or more, and really habitable accommodations generally brought at least a few thousand dollars.

Yet if you procrastinated about a summer hideaway, you discovered last January or February that For Rent signs had vanished more completely than the Indians. When the season's curtain has been rung down, it may be summed up tersely: Never have so many paid so much for so little.

Buying unseen gems

WE HAVE seen mail orders in one of the country's largest jewelry stores that have to be seen to be believed. Men and women in every neck of the woods, including your own in all probability, mailed in checks in amounts upward of \$500.

They merely ask to have a star sapphire, or a diamond solitaire, or perhaps a brooch sent to them. Theirs is not to reason why, theirs is but to buy and buy. Even the most naïve purchaser, one would suppose, might evince some interest in the size and quality of a gem.

Strangely enough, these cash-happy, open-handed spenders seem to be indifferent to what they get for their money. Their checks and money orders flow in a never ending stream, and it is a rare remitter who isn't perfectly happy with whatever a \$500 or a \$5,000 remittance returns.

During the war, a lively trade was developed with people who had old gold jewelry. Because gold brought \$36 an ounce, literally thousands of people sold safe-deposit heirlooms for the weight of their gold. Often this old-fashioned jewelry was resold to the hundreds of jewelry shops that mushroomed during the war.

When it reached jewelry counters, it became "antique" and was priced accordingly. Many a seller became a buyer for cash of the jewelry that nobody wanted . . .

until it was priced high enough to become desirable.

Even today, antique jewelry brings such inflated prices that dealers can afford to buy from one another, and still realize handsome profits.

One jeweler sold an old gold bracelet, studded with old-mine cut diamonds, for \$365. In his wanderings he came upon the same piece in a jewelry shop priced . . . hold your breath . . . \$2,000.

Curious about its tortuous journey to the counter where he rediscovered it, he made inquiries. The bracelet had changed hands three times. Each transaction had netted the seller far more than our friend. And, mind you, each buyer was a dealer, interested only in the piece's resale prospects.

The truth never was so stranger than fiction.

Remember when a manicure was a 35 to 50 cent expenditure? Well, times have changed. Along one of America's fashion thoroughfares there is a small manicure and pedicure salon nestling in a skyscraper office building. Here, today and every day, women come jubilantly and fork out \$7 for a combined manicure and pedicure.

But, you will protest again, there can't be many women with that much money. We don't know how many daughters of extravagance there are, but we do know that in order to get an appointment in this cuticle cubicle, you must book an operator at least a week in advance.

While you're awaiting your turn, you will find such distractions as

solid gold lipstick holders at \$200 per pucker-up, 14 kt. aspirin boxes at \$50 to \$75, and gold and jeweled compacts up to \$1,500. Believe it or not, it is harder to keep these "essentials" in stock than it is to find customers for them.

It wasn't long ago that a certain popular cigarette lighter was available in solid gold models at \$125 and up, but sterling silver lighters were "temporarily out of stock."

Luggage quickly sold

ANOTHER incident symptomatic of our profligate times was presented when a luggage shop, for the sake of sweet publicity, commissioned a fine luggage maker to turn out a man's fitted case—and kindly note the gender—complete with solid gold fittings and hardware. It was anxious not to spare the expense.

The result was a fitted case which the luggage dealer felt emboldened to advertise for the sum of \$2,000. He expected to make conversation and the news columns. He was utterly unprepared for what ensued.

On the day his advertisement appeared, he received nearly 140 telephone calls of which about a third were occasioned by curiosity as to whether the \$2,000 was a misprint. Six customers hurried into the store to possess the fitted case. He was successively in a daze and in a dilemma.

Eventually, he parted with the case, and took orders on a number of replicas. The exact number, he didn't care to reveal, because alert competitors might be listening. In addition, he received orders for matching women's fitted cases. In some instances, the latter ran a bit over \$2,000.

Prices in the antiques market are incredible. Only four or five years ago, old oil-burning student lamps were in abundance at prices averaging \$10 to \$25, depending on size, type and condition. Today, they bring upwards of \$75, and double lamps fetch as much as \$350.

Desirable Americana in fact has risen at least 500 per cent in price since Pearl Harbor, and experts in such matters confidently predict that prices have far from found their ultimate levels. There are at least a hundred collectors where one stood before contemplating the charm of Bristol glass or the quaintness of a Victorian rocking chair.

The reason collectors have multiplied is explained simply enough. Loose cash has commensurately multiplied, and nothing so clearly



"Russell, did you sweep dirt under the rug while I was away?"

identifies one's economic status as the costly non-essentials of living.

So great is the demand for antiques or semiantiques that country shops have been denuded, and city shops have been driven to replenishing their stocks with retail purchases. Attend an antiques show, and you will find dealers themselves the most active buyers.

One shop's white elephant is another shop's hot number since collecting tastes and fads vary widely with geographical sections. Many an otherwise thrifty housewife will plunk down \$50 for a Blue Staffordshire plate without batting an eyelash, or round out a collection of paper-weights by splurging to the extent of \$500 to \$1,500 for a rare "collector's item."

Real estate has black market

IF YOU have a telescope handy, you can trace the meteoric course of real estate prices. The housing shortage admittedly was a contributing factor, but it wasn't only the homeless who consciously and deliberately paid three times as much as their new homes were worth before Pearl Harbor.

Practically everyone with a working knowledge of the English language knows, or has heard of, cash purchases that were merely acts of extortion in reverse.

Black market money, it is widely and logically suspected, produced this form of prodigality. To take a typical example, "A" wishes to buy "B's" house. "A" insists that it must be a cash transaction, and "B" doesn't demur.

"B" originally paid \$16,000 for his house, and he "estimates" that the improvements he added make it worth, in the eyes of an inquisitive agent of the Internal Revenue Department, approximately \$23,000. But his asking price is \$55,000.

"A" is only too glad to work out the necessary arrangements. The sale price is listed as \$23,000, and the difference, a mere \$32,000, is handed under the table to the obliging "B."

Naturally, that leaves "B" with an extra \$32,000 to indulge any little extravagance that may be gnawing at his purse strings. This kind of money has produced some of the artificial scarcities that have spiraled prices, and plagued so many of the white collar folk whose incomes have been little enhanced by wartime opportunism. This is the kind of money with which they often must compete to try to satisfy their daily needs.

When will the gold rush stop? Probably not before inflation goes

into reverse, and deflation goes into forward. It is also symptomatic of the times that stock markets haven't enough shares to meet the demand.

New issues are pouring into the market, and are instantly absorbed. There just isn't enough of anything to stem the flood of money that has inundated this country.

One would have to turn back the pages of history to the time of Jackson to find a parallel. Then, you may recall, money was so abundant and goods so scarce, "debtors relentlessly pursued their creditors."

Up to Pearl Harbor, a woman's pure silk print dress probably averaged no more than \$25 in price. Today, silk print frocks are fetching \$125 per copy or more, and stores could sell four to five times as many such frocks as they are able to procure. It isn't that the dresses are worth more, it's simply that money is worth less.

It had been feared that federal excise taxes of 20 per cent on jewelry, handbags, leather goods, cosmetics and furs would discourage buying. With the possible exception of furs, volume has steadily increased. And the trade believes that sales gains in furs were curbed chiefly because there was so much "beat-the-tax-buying" during the period immediately before the effective date of the tax.

Sales are higher in dollars

IN MANY cities, throughout the spring, retail sales surpassed those of the corresponding periods in 1945 by 50 per cent. Retail inventories were only higher fractionally, and the increases were traceable largely to an abnormal influx of luxury goods.

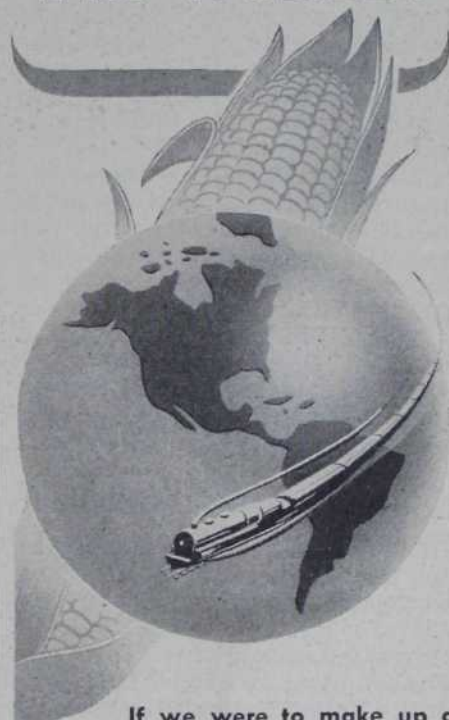
In terms of "cost of living commodities" retail stocks were lighter than they were at any time during the war. Despite this condition, sales constantly found new high levels.

The paradox is easily explained. People paid substantially higher prices for everything they bought. The difference in volume was the difference in prices. Physical turnover of merchandise actually may have been lighter than it had been in the preceding year.

Business finds these conditions unnatural, unhealthy and worrisome. As one prominent retailer put it, "Business is big but not good."

One day, merchants are well aware, consumers will be price tag conscious again. Lush times will be over.

A "Freight" HALFWAY 'ROUND The WORLD!



If we were to make up a single freight train to haul this year's great corn crop, it would stretch halfway around the world.

Four and a half million farmers will harvest about three billion bushels of corn this year and many of them are depending upon us to move their crop—our nation's biggest by any measurement—to market.

The Wabash also will haul many products made from this corn... such as syrups, starch, candy, breakfast foods, penicillin, paper, corn alcohol for synthetic rubber, shatter-proof glass, prepared animal feeds, and more than one hundred other corn products... ALL GO WABASH!



THOSE WHO KNOW
Ship and Go Wabash!

WABASH RAILROAD

Eleven Wardens for Mars

(Continued from page 40)

opened deliberations in this country.

It was admittedly not much of a joke, but was the only joke the delegates and spectators had so it provoked smiles and chuckles. In much the same way the United Nations setup is unique. It is the only peace organization the world has. Its most ardent defenders admit it has many weaknesses, but they insist that even at its worst it is the only hope for peace.

This position of the United Nations is illustrated by the story of the frontier character who had lost all his money at the roulette table and was being urged by his pal to give up gambling.

"Why, I'm told that wheel is crooked," the friend declared.

"Yes, I know it is," said the unmoved gambler, "but it's the only wheel in town."

Speeches are official policy

GROMYKO appears to monopolize the Council, because his speeches, which are long in comparison with those of his colleagues, must be translated into French and into English, the two official languages of the United Nations. His remarks have the flavor and even the phrases of editorials in *Pravda* and *Izvestia*, the official Russian press, and may come from the same section of the powerful Moscow Politbureau.

He is not alone in having his speeches tailor-made for him. Other delegates consult their foreign offices on various problems and make it clear that they are presenting the views of their government rather than personal views. In this respect the Council is unlike congressional committees, town councils or American deliberative bodies. The men present must submerge their personalities in order to present the positions of their government while, in the other bodies mentioned, men exercise the full force of their personalities and individualism.

When he speaks without first consulting the Soviet Foreign Office, Gromyko is much less positive and far more brief. He hesitates for words and is cagey. Such ventures he usually begins by stating that he "is not opposed to the proposition, but..." His use of the qualifying "but" is so frequent that he

may come to be known as Russia's "but" man.

When he has instructions Gromyko follows them to the letter. He does not let any unforeseen developments change so much as a comma. This was evidenced in his exercise of the veto in the Spanish case. He vetoed four sections of the proposal to refer the case to the General Assembly even to a section expressing full approval of condemnations of the Franco regime. When he made his dramatic walk-out during consideration of the Iranian dispute, he headed for the door in a straight line, shouldering a marine in his path to one side.

Outside the Council chamber he is less dramatic and even somewhat shy. In his private life he is retiring. For a time he lived with his wife and two daughters in a suite at the swanky Hotel Plaza, a haven for wealthy refugees. Recently he rented the lavish Long Island estate of the late Ogden Mills, secretary of the treasury in the last days of the Herbert Hoover administration, who was as far from sympathy with Moscow as such prewar Poles as the late Marshal Pilsudski and pianist Paderewski.

Although Russians have a reputation for dashing off fiery vodka, Gromyko is sparing in his drinking as are all the Council members. This information is on the unimpeachable authority of Mort Green, amicable dispenser of cheer at the bar in the spacious delegates' lounge adjoining the Council chamber.

"The best day's take I had in three months was \$30 and half of that was orange juice," he said sadly. "And the worst was 30 cents."



"Anybody home?"

If sobriety can bring peace, we're in. As for me, I get lonesome for a barroom argument in all this fancy talking and no drinking. I ought to close up."

So far as observers have been able to note, Gromyko has served his master well. The nearest he came to putting his foot in his mouth was to make an earnest plea for avoiding a session on Good Friday. When he was praised by a Catholic priest at a cocktail party for being the only one of the 11 man Council to note the Christian holiday, Gromyko became embarrassed. He explained that he had been told the day was a holiday, but was unaware of its nature. The next day he went back and made a vigorous, although unsuccessful, plea for a Good Friday session, evidently concerned that his original effort would not sit well with Godless Communists.

Evatt is most dynamic

SCARCELY behind Gromyko in public interest is Herbert V. Evatt of Australia, who is regarded as the outstanding man of the United Nations by virtually all the newspapermen assigned to the peace organization. The 53 year old historian, philosopher, lawyer, judge, diplomat and foreign minister is well and away the most dynamic and outspoken figure at the Council table, although he is not at all prepossessing at first glance.

This squat Australian wrote more of the Charter than any one man. At San Francisco he made 200 speeches, long and short. He served on 20 committees, always picking the one which offered the best prospect of a fight when confronted by a choice. He submitted 38 amendments to the Charter of which 20 were wholly or partly incorporated in that document.

Evatt lost his hardest fight—the drive to eliminate the veto power of China, France, the United Kingdom, the Soviet Union and the United States—but he hasn't given up the battle. At every opportunity he takes a cut at the veto power, being convinced that the United Nations will not function for peace until it is abolished.

The Australian is as refreshing in his reasoning as he is belligerent. His words and proposals, whether uttered by himself or through other men who have occupied his country's seat at the Council table, have been as refreshing as a cool breeze in a hot air discus-

Condensed Statement of Condition June 29, 1946

RESOURCES

Cash in Vault and in		
Federal Reserve Bank	\$	664,828,114.00
Due from Banks		295,791,677.94
TOTAL CASH	\$960,619,791.94	
United States Government Obligations, direct and		
fully guaranteed		2,848,132,068.30
State, County, and Municipal Bonds		323,940,281.68
Other Bonds and Securities		130,026,315.84
Stock in Federal Reserve Bank		6,137,600.00
Loans and Discounts		1,198,680,168.77
Accrued Interest and Accounts Receivable		17,690,494.68
Bank Premises, Furniture, Fixtures, and Safe		
Deposit Vaults		28,061,091.09
Other Real Estate Owned		96,850.99
Customers' Liability on Account of Letters of Credit,		
Acceptances, and Endorsed Bills		40,737,711.78
Other Resources		187,606.53
TOTAL RESOURCES	\$5,554,309,981.40	

LIABILITIES

Capital:		
Common (8,528,646 Shares)	\$	106,608,075.00
Preferred (6,258 Shares)*		125,160.00
Surplus		98,752,325.00
Undivided Profits		30,232,550.65
Reserves		4,304,056.90
Preferred Stock Retirement Fund		162,053.65
TOTAL CAPITAL FUNDS	\$	240,184,221.20
Reserve for Bad Debts		17,719,315.14
Demand	\$3,083,943,460.10	
Deposits		5,238,524,328.12
Savings and Time	2,154,580,868.02	
Liability for Letters of Credit and as Acceptor,		
Endorser, or Maker on Acceptances and		
Foreign Bills		42,126,954.66
Reserve for Interest Received in Advance		7,270,973.57
Reserve for Interest, Taxes, etc.		8,484,188.71
TOTAL LIABILITIES	\$5,554,309,981.40	

* Issued at \$50 (\$20 Capital—\$30 Surplus), Annual Dividend \$2. Called and to be retired in full as of July 31, 1946.

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sion of veiled words and concealed purposes.

Australia has consistently stood up to Russia and to the United States and Britain. At all times the land from down under has called for a fearless search for the facts and a courageous approach to the solution dictated by the facts.

Evatt is determined to be afraid of no power and a respecter of the truth. Australia challenged the right of Russia to absent herself from the consideration of the potentially explosive Soviet-Iranian dispute and lashed at exercise of the veto power in the smoldering Spanish problem.

Evatt was born in the mining district of East Maitland, New South Wales, the son of a storekeeper. He went to a Sydney high school and Sydney University, where he won the highest marks in the history of the law school. At the age of 36 he became the youngest man to sit on Australia's highest bench. He was known as the "red judge," because his opinions were considered radical. Although technically a member of the Labor Party, he is regarded as a Socialist because he does not have a trade union background.

Evatt has written historical studies of Australia, including "Injustice Within the Law," a biting work on the transportation of English laborers to Australia in the 19th century. He has also taken a turn at biography, writing with equal application the life of Australia's leading labor hero and Australia's leading sporting hero, an outstanding cricket batsman.

He prefers to be addressed as "Dr." rather than "Mr. Minister," "Mr. Delegate" or the like. He wears his clothes carelessly—there is a story that he has worn the same suit for years. While the last story is an exaggeration there is no doubt that his hat is approaching the stage of an historical relic. It looks as though it is always on backwards.

Excels in argument

EVATT is a wily opponent in an argument. He squelches badgering reporters. He can as easily crush diplomats who attempt to confuse him with trick questions. There is a legend that he arises at 5:30 a.m. and swims before breakfast. Whether or not this is true, his brain is always an early riser.

His speech is a delight to UN spectators. It has the free style of the Australian crawl or a kangaroo hop. He is proud of his accent and makes no effort to curb it; in

fact, he is suspected of spreading it on even thicker whenever he notices his auditors have become conscious of it.

Evatt's wife was born in Iowa. She is with him in New York because he would not leave Australia without her. He has a son who served in the war and a daughter still in school.

The Australian has struck up a warm friendship with James A. Farley, former postmaster general and former chairman of the Democratic National Committee. When the two march into a restaurant or theater together, they look like Abraham Lincoln and Stephen A. Douglas going to one of their senatorial campaign debates.

A thorough Britisher

ANOTHER incisive although more diplomatic, Council speaker is Sir Alexander Cadogan of the United Kingdom. This slight, precise Britisher has frequently braved the wrath of the Russian bear, not as a lion, because of his stature, but more after the manner of a courageous hunting dog.

Now 63 years old, Sir Alexander has been a career diplomat since leaving Oxford at the age of 23. After the last war he was secretary general of the United Kingdom delegation to the League of Nations. Since 1938 he has been Permanent Under Secretary for Foreign Affairs, a post which corresponds to the American post of Under Secretary of State.

In his work on the Council, Sir Alexander is regarded as a good and faithful servant of His Majesty, George VI. His clipped sentences display keen reasoning and inflexibility of purpose even in impromptu observations. He displays a clear perception and thorough familiarity with diplomatic processes as befitting a British career diplomat.

Outside the Council chamber Sir Alexander is a thorough Britisher. He has the detached aloofness of the island race, but in his case it is softened by a gentle smile and warm eyes.

Propriety, not stuffiness, is the essence of Cadogan. Sir Alexander dresses for dinner every night and reports with dry humor that he is able to make the change in ten minutes in civilized countries and in 12 minutes in uncivilized parts.

In sharp contradiction to Sir Alexander is the vivacious Alexandre Parodi, French delegate, who is a compelling man in his own right as well as by virtue of his position. Parodi was a hero of the French

resistance movement during the German occupation, in which role he had many aliases.

Of Corsican descent, as was Napoleon, Parodi is the son of a distinguished French philosopher and an able jurist and political leader in his own right. He is 45 years old. Before the war he was a promising young judge, who became director general of the Ministry of Labor. After the fall of France he personally directed the insurrection in which Parisians rose to eject the Nazi invaders.

Parodi came to the Council in time to assume its presidency which rotates monthly among the nations in alphabetical order. From the outset he showed himself a master of parliamentary procedure and operated the Council with a firm, but eminently just hand. At the end of his term his colleagues vied with one another in praising his performance. He does not speak English, being the only delegate unfamiliar with the language, but he is correcting this deficiency.

Like the French delegation in general, Parodi haunts French circles in New York City. He and other members of the delegation can be found exploring various French restaurants when they have no other social engagements. This is not often as the delegates have an active social life. Lunches, cocktail parties, receptions and dinners are an endless round for delegates, who have been adopted by New York society.

Hostesses of the ever expanding "400" vie with one another in capturing a delegate for dinner parties. The rivalry was at its greatest one May evening when 16 dinners were given before a United Nations Ball. With only 11 delegates to go around—some of them unwillingly—some hostesses had to be content with lesser members of various delegations.

Diplomat from China

CHINA'S delegate is bland, friendly Dr. Quo Tai-chi, whose soft lisping accents add to the language interest of spectators. He has been in the service of his country since 1912, when he became secretary to the first president of the Chinese Republic, Li Yuan-Hung. Later he was secretary to Dr. Sun Yat-Sen. Except for one year when he assumed the presidency of National Wuchang University, he has been in the diplomatic service since 1918. He represented China at the League of Nations, has been ambassador to Great Britain, and in

*Things don't turn up in this world
until somebody turns them up.*

JAMES A. GARFIELD.



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1941 became Chi's foreign minister.

Dr. Quo has been a pleasant host outside the council chamber. In the chamber he has never raised his voice and never have his soft accents been critical. Nonetheless he has not yielded any ground in the presentation of his country's position.

Dr. Quo is perhaps the most vocal of what has come to be recognized as the silent set of the Council—Dr. Luis Padilla Nervo of Mexico, Dr. Pedro Leao Velloso of Brazil and Dr. Hafez Afifi Pasha of Egypt. The four quiet doctors have been brief in all their statements and content themselves largely with observing the widening of the split between Russia and the western powers, notably Britain and the United States.

Mexico's representatives

DR. NAJERA is a veteran diplomat who is now Mexico's foreign minister. He has served in Australia, France, Sweden, the Netherlands, Belgium and China in addition to his ten years in the United States. He is probably the most talented member of the Council, being a surgeon, an expert in public health, an outstanding fencer, a horseman, a linguist, and a scholar.

When the affairs of the Mexican Foreign Office keep Dr. Najera at home, Dr. Luis Padilla Nervo takes his place at the Council table. Dark, dapper, a veteran of 25 years in the diplomatic corps, Dr. Nervo holds a law degree from the National University in Mexico City and wears the signet ring of George Washington University, where he received a degree in 1929 while attached to the Mexican embassy. No newcomer to UN diplomacy, he served as delegate to the Hot Springs Food Conference, the San Francisco Conference, and was a delegate to the first council session in London last January.

Dr. Velloso is also a career diplomat. He has been in his country's diplomatic corps since 1910, having attended the peace conference in Versailles in 1918. He has occupied various legations and embassies. He was chairman of his country's delegation to the Inter-American Conference of Problems of Peace and War in Mexico City and the United Nations Conference at San Francisco. He also is an accomplished linguist. His gleaming, bald head never fails to attract spectators.

Dr. Afifi is a banker who lately turned a hand to diplomacy. Although he has seldom projected

himself into discussion, he delivered an address of startling frankness on relinquishing his turn at the presidency, in which he noted that the attainment of peace is still a will-o'-the-wisp because the United Nations has failed to work as a family, adding that the great mass of humanity is disappointed with the state of the world a year after V-E Day.

An arresting Council figure is Dr. Eelco N. Van Kleffens, lean and high-domed delegate of the Netherlands who has distinguished himself in the service of his country at the League of Nations, the Hague Tribunal and as Holland's foreign minister. He has ably and consistently supported the United States and Britain in conflict with Russia, offering penetrating analyses of propositions and situations before the Council.

Dr. Oscar Lange, ambassador and delegate of the new Poland established by Russia, completes the foreign representation at the Council table. Until last December Lange had been an American citizen for two years and a teacher of economics at the University of Chicago. His wife is still hanging on to the citizenship, which he relinquished to take a high post under the Warsaw Government.

His action has provoked off-the-record discussion in the House immigration committee, where members have expressed themselves incensed at reports that he plans to leave the indirect service of Moscow and seek to regain his American citizenship.

Lange took cognizance of these reports by denying that he has any intention of leaving his post. It is expected that he may be made permanent Polish delegate on the Council and be relieved of his role as ambassador.

On the Council, Lange shows his classroom background by the way he expounds his position. At all times he has been a consistent supporter of Russia. At times he has given Gromyko his only supporting vote.

Lange is ashen in complexion and has a limp. In Poland he was a Socialist with heavy leanings toward communism, but it is not known whether he actually embraced the party. Outside the Council he has been a study in affability, working constantly to offset the widespread belief that he is a stooge of the Kremlin.

The United States has at present a temporary member on the Council in Herschel V. Johnson, a 52 year old career diplomat, who is keeping the seat warm for Senator

Warren R. Austin of Vermont, a Republican, who has consistently supported the New Deal foreign policy. The appointment is considered a reward for the faithful support.

Austin cannot take his place at the Council table until January as law forbids a member of Congress from taking a post within the period of the Congress which created it. The post carries a salary of \$20,000 a year. Austin, a corporation lawyer, who has been in the Senate since 1931, is 68 years old.

America's first Council delegate was Edward R. Stettinius, Jr., handsome former secretary of state. Son of a distinguished partner of J. P. Morgan & Co., Stettinius enjoyed several high business posts before he entered the government service in 1940. He became secretary of state when Cordell Hull left the cabinet because of ill health and Stettinius moved up from the post of under secretary.

In those days Franklin D. Roosevelt acted largely as his own

secretary of state. After Roosevelt's death, when the office took on the added prestige of heir to the presidency, President Truman searched for a stronger party man and named Byrnes as secretary, moving Stettinius to the United Nations. Shortly after the Council began functioning on American soil, Stettinius resigned in what his friends reported was a protest to the minor role to which he had been relegated on the Council. Byrnes had eased him out of his chair to assume direction of the United States conduct of the Iranian dispute. There were reports that the Administration wanted Stettinius out in order to get stronger representation on the Council.

These are the architects of the world's latest quest for peace. These are the men through whom the world launched in its first peaceful spring a desperate search for the victories of peace, recognized as not a whit less important even though not so renowned as those of war.

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IN 1931, Ivan Branson, an unemployed San Francisco telegraph operator, began making sandwiches and selling them in offices and industrial plants. When he couldn't keep up with his orders, he began dreaming of a machine to make sandwiches.

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A Tour of the Leftist Press

(Continued from page 49)

be the Leftists' competitor of the *Reader's Digest*. However that may be, nearly every issue does carry pieces by folk from the far Left. Johannes Steel, who some months ago ran for Congress in lower Manhattan with Communist support and the endorsement of Henry A. Wallace, is listed as its foreign editor.

One feature of *Reader's Scope* is a newsletter in every number, much of which reads as if it had been inspired by the *New Masses*. Its May issue, for instance, surveys the woes of the universe and reaches this conclusion:

"The careful analyst will find that the root of the extreme world tension is not in the policy of the Soviet Union nor in that of the United States, but in this aggressive, imperialist policy which the British Government and some of its American friends are carrying on today."

In this newsletter Senator Pepper and Secretary Wallace seem, by a strange coincidence, always right on everything.

The *Reader's Scope's* editorial director is Leverett S. Gleason, whose name is familiar to people who study leftist movements.

"Liberal" magazines changed

SPACE does not permit a wider inspection of this segment of the Left press. We must hasten to the periphery of the region, where the self-righteous "liberal" journals have their habitat. The best known of them are *The Nation*, whose party-line fervor is tempered only by the honest confusions of its editor, Freda Kirchway; and the *New Republic*, where the rarest phenomenon today is an article uninhibitedly critical of Stalin's concentration camps.

Because these weeklies in the 1920's used to be truly liberal, in the old-style dictionary sense of the word, many naïve people still consider them so. By the same token many editorial writers, commentators, teachers, etc., wishing to ascertain the "liberal viewpoint" or "liberal reaction" on any subject, still turn unthinkingly to their pages. The fact that these magazines have redefined liberalism to cover and

whitewash nearly the whole of the Kremlin's party line is becoming known, but much too slowly. Though their combined circulation is under 75,000, their "secondary circulation" or influence on public opinion is still large.

What is most striking, as one follows such journals, is their system of editorial double bookkeeping. They apply one set of standards in judging Russia, another in judging the rest of the world. *The Nation*, for instance, had only well merited contempt for Hitlerite forays on neighbors based on racial claims; but it understands why Azerbaijanians in north Iran should feel "a genuine impulse . . . to draw closer to their brothers in the Soviet Republic of Azerbaijan." Though Mussolini's promised reforms did not justify intrusion on backward Ethiopia, *The Nation* finds that Soviet reforms mean more to Iranians "than even the best-style American elections."

Some dictators criticized

THESE "liberal" journals devote immense space and lung-power to castigating dictatorial and totalitarian methods in Argentina, Spain, Santo Domingo. The self-same methods practised in Russia, Yugoslavia, Bulgaria, etc., under Muscovite slogans stir no anger in their editorial breasts. The *New Republic* recently shocked its more squeamish clients by plumping for forced labor, provided it is practised by Stalin for the glory of his

Soviet realm. Referring to the Germans and Rumanians being deported wholesale to Russia for forced labor, it declared: "Compulsory labor at critical moments in the life of a nation, used in the interests of society, is not slavery." Hitler obviously would have applauded this echo of his own sentiments.

Examples of this sort of double bookkeeping could be multiplied to book lengths. Only during the two years of the Hitler-Stalin collaboration did these periphery magazines cut loose from their pro-Soviet obsessions. Before and after, they have been consistently the apologists for Kremlin policies. That, in fact, was the reason given publicly by one contributing editor, Louis Fischer, and privately by another, Sir Norman Angell, for resigning from *The Nation*. It was the reason given by contributing editor Varian Fry in resigning from the *New Republic*.

Bias toward communism

PERHAPS the strangest journalistic phenomenon on the Left is the daily *New York PM*, with a circulation of around 150,000, much of it in Washington and other points outside New York. It was launched in 1940 with a staff that was heavily Communist and fellow-traveler in composition, and quickly became known as "the uptown edition of the *Daily Worker*." Its pro-Communist bias was so unsubtle that the *American Mercury* editorially commented: "In its tabloid form the sheet was only four columns. Is there a fifth?"

















By this time the bias has been somewhat tempered, though the tabloid is still the bible of the fringe of liberalism. Its chief editorial writer, Dr. Max Lerner, a noted apologist for Soviet policies and atrocities, is fairly typical of the current temper and viewpoint of the paper. However, newspaper row gossip has it that a good many genuine liberals, opposed to all types of totalitarianism, have infiltrated the staff and make life increasingly tough for the party-liners.

For the liberal viewpoint not colored by totalitarian radicalism, our tour must pause at weeklies like the *New Leader*, *The Progressive* and *The Call*. These and a few like them have fallen heir to the liberal tradition abandoned by *The Nation* and the *New Republic*. The





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New Leader is by all odds the most effective in this category. Vaguely Social Democratic but not rigidly dogmatic, it is increasingly attracting the support of the sane Left. It attacks dictatorships and reaction indiscriminately, even when they come in pretty Red packages. It claims a circulation of about 35,000. But its influence is far more extensive. For many government officials, writers, speakers it is "must" reading and thus serves as a counterweight to the "party-line" press.

The Progressive, with about 30,000 readers, is published in Madison, Wis., under the aegis of Phillip LaFollette. It plays true to its name. The fact that Oswald Garrison Villard, who edited *The Nation* in its great liberal era, is now a regular contributor to this Wisconsin weekly is symbolic of the shift. *The Progressive*, of course, has no more sympathy for red dictatorships than for the black and brown varieties. The same is true of *The Call*, organ of what remains of the Socialist Party. Norman Thomas is its outstanding figure. His paper has sought consistently to safeguard the good name of Socialism

by disowning and blasting the crimes of Communism.

Merely for completeness, we should at least glance in the direction of the tiny Trotskyist papers, *Labor Action* and *The Militant*, each representing a splinter of the true Marxist faith. There is also the venerable *Weekly People*, house organ of the small but zealous group adhering to the Socialist Labor Party, forebear of the other American Socialist parties. There are, in addition, several small and ineffectual papers serving philosophical anarchists.

We have, of course, made no attempt to explore the leftist labor press. It is so vast and sprawling a domain that a special trip would be needed. Suffice that the majority of the Left labor publications steer clear of any *isms* but trade-unionism and Americanism. But the exceptions to this rule are many and highly significant. The long array of Communist-infiltrated CIO unions are, naturally, kept neatly in the party-line grooves and a good many others follow the line because they have fallen into the hands of Communist editors.

A Typewriter for Braille

WHEN Dr. Alfred E. Banks, San Diego physician, returned sightless from World War I, he was warned by a specialist that unless he learned braille he would be shut off from the printed word for the rest of his life.

Though he mastered braille, he regained enough of his eye-sight to enable him to resume his medical practice and to devote his odd moments to perfecting the portable braille typewriter on which a skilled operator has recorded dictation at the rate of 140 words a minute.

The machine is noiseless, weighs but 18 ounces and is so small that it can be slipped into a man's pocket. It has six keys, three on either side of a spacebar. Writing is done by the embossing action of the keys striking against a paper tape. When cut and pasted into a book, the tape provides a permanent record.

Two years ago the braille writer was ready for demonstration, but Dr. Banks withheld it from the market until the suitable manufacturer could be found.

When the great possibilities of this device were brought to the attention of the San Diego Lions

Club, the members decided that here was a project worthy of their support. Nelson Roberts, a past president of the Club, took the braille writer to New York and showed it to Thomas J. Watson, president of International Business Machines Corporation. Mr. Watson agreed to manufacture the writer at cost, the only stipulation being that so far as possible they be made available, free of charge, to returning blind veterans.

Mike Supa, blind superintendent in charge of IBM's physically handicapped personnel, was assigned to supervise production. To date, the final design has been approved and the company is proceeding with the production of temporary tools and the necessary drawings for the job.

The portable braille typewriter will be distributed solely by the Lions Clubs and will cost the blind not more than \$5 a piece. The clubs will underwrite the difference between the sales price and the actual cost of production.

Already more than 1,000 inquiries have been received by the San Diego Club from potential purchasers, and more than 1,000 orders are on file.

Aside Lines



By CHARLES W. LAWRENCE

OUR salad days were those in which we started in a big way to consume the old man's lettuce.

★ ★ ★

THE announcement that shoe consumption this year will average four pairs per person suggests that at least one industry has benefited from the picket line.

★ ★ ★

THIS is turning out to be the biggest vacation year in our history. It will go down as the year in which almost as many babes were kissed by the sun as by congressmen.

★ ★ ★

RECENT industrial disorders have created a critical shortage of insecticides. If we want to get the bugs off our crops, we'll have to get them out of our labor relations machinery.

★ ★ ★

A STEADY increase in the production of kid gloves is expected to ease the shortage, especially since the State Department no longer takes most of the supply for use in its dealings with Russia.

★ ★ ★

THE Government has plans for producing great amounts of hydroelectric power in the Missouri Valley. Uncle Sam will construct 108 dams, and the land owners will emit several more.

★ ★ ★

THERE is a move on to have the United Nations atomic energy commission control all forms of mass destruction weapons. There is a general feeling that civilization will be just as dead whether it blows up in 40 minutes or 40 days.

★ ★ ★

A GOVERNMENT report shows the extent to which schooling increases one's earning power. Parents with youngsters in college would now like to report on the extent to which it increases one's spending power.

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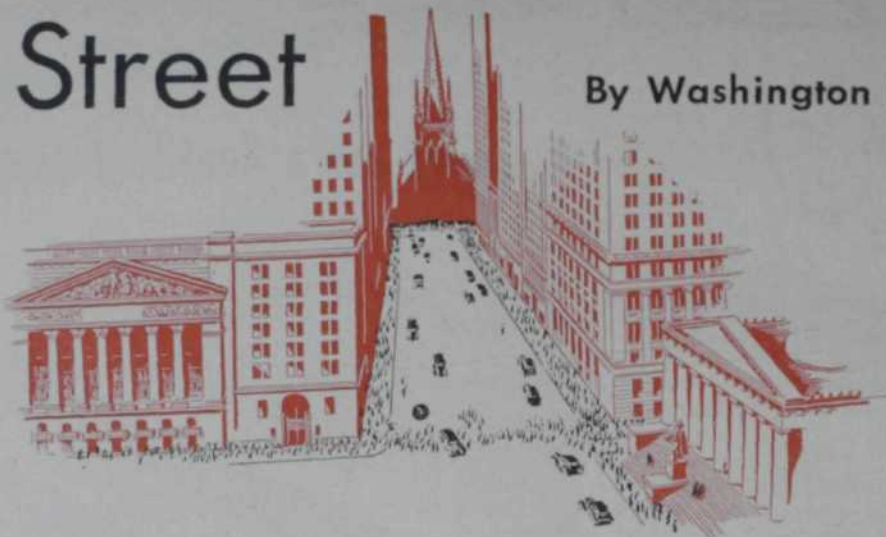
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Hedge

A "HEDGE-clause" is the notation on a broker's market letter which theoretically frees him from legal liability to a reader who is so rash as to follow his suggestions and then loses money. In pre-SEC days, the hedge-clause was relatively simple, favorite versions being a plain "E & O E" ("Errors and Omissions Excepted") or "While figures were derived from sources believed to be reliable they are not guaranteed."

Today's hedge-clause can be a much more elaborate affair, often drawn up with advice of counsel. The frankest which has come to my attention was at the bottom of a circular on Howard Industries, published by Thornton & Company: "We own shares of Howard Industries, Inc., and expect to benefit by any increase in price or activity created by our advertising or circularizing."

★ ★ ★ ★ ★

Tool owners

NUMEROUS attempts have been made to organize shareholders. Newest is The Tool Owners Union, deriving its name from that economic concept which this column recently discussed when reviewing the report of Allied Chemical: namely that profit is merely hire paid to the tool owners.

Among the "whereases" of the New Union: "... the fundamental right of bargaining belongs to the tool OWNERS (who provide the mechanical energy of production) quite as much as it belongs to the tool USERS (who provide the human energy of production) . . . it has for many years been the persistent policy of government to violate this right and to discrimi-

nate against these 50,000,000 unorganized tool owners in order to attract the political support of the leaders of organized tool users. . . . Thus government policy has undermined the fundamental right of the tool owners to receive payments for the use and renewals of the tools, and has discouraged addition to the tools."

Readers interested in this union should communicate with Allen W. Rucker, Lexington, Mass.

★ ★ ★ ★ ★

Ode

NOBLE Berrien, retired financial writer, first published the following in the *Atlanta Constitution*:

"Our foresight seems to be a sham,
Hindsight ain't worth a tinker's
dam;
We sell the stocks that we should
hold
And keep the ones we should have
sold."

BUT

Ain't no use to sit and sigh
For de things we let slip by,
Wilst de light is in de sky,
Ketch some t'others on de fly."

★ ★ ★ ★ ★

Old lady

AN article in the *New York Times* by Warren Williams tells of an elderly lady who was seen tossing a bond in a wastepaper basket by a bank guard. He retrieved it and hastened to stop the owner.

"Madam," he said, "do you realize you have thrown away a valuable bond?"

Looking at him pitifully she replied, "Oh, that! It's no good any more. I've just clipped the last coupon."

★ ★ ★ ★ ★

How to avoid taxes

SAYS Boston's Keystone Company: "The tax must be paid eventually. The only way to escape it is to hold on to securities until they decline in price to the point where the profit is wiped out."

★ ★ ★ ★ ★

More annual reports

PROBABLY the bulkiest of all U. S. annual reports is the treatise which each year the president of Diamond Match sends to his stockholders—of whom there are currently 11,404, almost half of whom are women. This year's report was not Diamond's biggest, but it still managed to fill 61 pages, plus a two-page index, plus eight pages of appendices and an insert picturing match boxes in color.

Scanning the pages of this massive document, the inquiring stockholder can learn, if he so cares, such data as the percentage of stock voted at each annual meeting since 1934, the length of maturities in the \$12,000,000 bond portfolio, and the cost of fire fighting, prevention and suppression in California (\$17,052.26 last year). On the other hand certain cost and sales data desired by the inquiring statistician is not included—probably for sound competitive reasons.

Unlike many annual reports, that of Diamond is personally writ-

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ten by the man who signs it—W. A. Fairburn, president. He retreats to the country to write it, invoking the unusual routine of writing by night when guests are asleep and sleeping by day when guests are aplay. Throughout the years, Diamond's reports have given full and free expression to Mr. Fairburn's greater phobias. These include absentee workers, disinterested workers, and striking workers. And they include hunters and fishermen-smokers who are forever setting his timber stands on fire (with Diamond matches presumably). Also black beetles which eat said stands. And, of course, cheap foreign competition, the tax burden, the Department of Justice, and "the late Ivar Kreuger's connivings."

As an admirer of Diamond's reports, I was particularly impressed in 1942 when Mr. Fairburn, always resourceful, produced the startling statistic that lighters provided 398 lights per capita that year against 364 in 1941. He stated however, "The fad for acquiring and using substitutes is rapidly running its course." This year nothing was said about substitutes. Presumably the match is here to stay.

NOMA Electric (a leading toy manufacturer) contributed heavily to the war effort through its subsidiaries, Triumph Explosives and Ansonia Electric. Thus it was a bit surprising to see this self-plaudit worked into its annual report: "The making of toys from non-essential materials was a factor in sustaining morale at home and so played its part in the final victory."

ADDRESSING stockholders of Aluminium, Ltd., President Edward K. Davis gave a new concept of his great enterprise: "... The chief purpose of the company where your money is invested ... is the development for industrial purposes, principally the production of aluminium, of a narrow strip of land some 30 miles long elevated at one end some 30 feet above the other extremity and over which flows with a fair degree of regularity some 50,000 cubic feet of water per second."

★ ★ ★ ★ ★

Laughter

THERE have always been plenty of laughs along Our Street, where the prevailing sense of humor is quick, sardonic, and fairly merciless. Most of the laughs incubate upon the Floor of the Exchange—some



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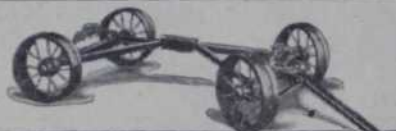
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are merely new dirty stories and puns; some are caustic quips on current events; and some are tricks played on members.

The first type cannot of course be relayed here, but it is interesting to note that their volume diminishes as the volume of trading increases. And present direct wires are too busy on business to serve as the traditional relayers they once were. Quips on contemporaneous news are always around; and the worse the news event is, the more numerous and more bitter become the quips. Let me quote two old ones that, while not at all hilarious, are the quintessence of Street humor.

When young William McC. Martin became president of the Exchange, his youth and idealism were hailed as the media which would heal the growing rift between Our Street and SEC, as well as the serious rift between Old Guard and New Guard in the Street itself. Mr. Martin accomplished nothing and his position was rapidly becoming untenable although the public did not know it. Came news to the Floor that Mr. Martin had been drafted. "The Happy Warrior," cracked a member of the Old Guard.

Richard Whitney was less than popular among many members who called him "Snow White." When one bright morning it was announced over the rostrum that Richard Whitney & Company could not meet its engagements that day, there was a moment of stunned silence. And then a loud voice was heard to bellow in triumphant tones: "'Snow White' has become a dwarf."

Tricks on other members are many and varied. A member who has just judged a dog-show may be greeted by barks and howls whenever he tries to trade the next day.

REVIVED this year was the Bond Club's annual edition of the "Bawl Street Journal" although the Chicago counterpart, owing to printing conditions, did not publish their similar "Chicago Journal of Comics."

Best political quip in the "Bawl Street" was in the story headed "TRUMAN IS REVEALED AS REAL PURCHASER OF BROOKS BROTHERS." It was "Negotiations are underway to get Edward Stettinius for the position as model in the men's ready-to-wear department..." "It would be an ideal job for Ed," the President claimed, "He wouldn't have to open his mouth." "Bawl Street Journal's" weather forecast: *Low Ceilings.*

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About Our Authors

Henry Hazlitt: author of "Workers Can't Eat Dollars" (page 37), has been on the editorial staff of the New York Times since 1934. He writes, "My original ambition was to follow in the footsteps of William James and to become a psychologist and a philosopher; but I found that I had to earn a living, took a job on the *Wall Street Journal* and, after a while, found that problems of economics and finance could be just as subtle, complicated and fascinating as any in psychology or philosophy."

Since 1913 Mr. Hazlitt has been a financial editor, editorial writer, or literary editor on various New York publications.

His books, in addition to "Economics in One Lesson" published by Harper's on July 31, include "Thinking as a Science," "The Anatomy of Criticism," and "A New Constitution Now."

Walter Trohan: United Nations' correspondent for the Chicago Tribune introduces (page 39) the 11 chief delegates to the United Nations Security Council. Most institutions are thought of in terms of personalities and in this respect the Security Council is no exception.

Jack B. Wallach: is the retail editor for the New York Sun and the managing director of the Retail News Bureau, whose newsletter goes to more than 1,000 distributors.

William W. Owens: who prepared the box score on industrial reconversion (page 65), joined the staff of NATION'S BUSINESS last October following his release from active duty with the Army Ground Forces. A graduate of one of the first Officer Candidate Schools to be held at Fort Benning, Ga., he served with the 339th Infantry, 85th Division, saw action in the Rome-Arno, Northern Apennines and Po Valley campaigns.

Mr. Owens majored in economics at Cornell University.

Fred DeArmond: the author of the flood-control article, appearing on page 77, was an associate editor of NATION'S BUSINESS from 1938 to 1942. Since then he has been free-lancing from his farm in Seymour, Mo.

Mr. DeArmond is a member of the Conservation Federation of Missouri and the recently appointed executive secretary of the Green County Medical Society, Springfield, Mo. He writes, "My interest in conservation was started with the job of building up an old run-down farm and was greatly stimulated by reading 'Ding' Darling and Louis Bromfield."

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Headache of a Senator

THE SENATOR was mildly plaintive about it. He said that we Americans had been so softened and purified that we very seldom shoot editors at the bars. Maybe that was because the new breed of editors are seldom to be found at the bars. He is happy about this, he said, especially here in Washington. A revolver is a very chafing burden in hot weather. But he thought some kind of a compromise between shooting and submission should be worked out.

"I finally caught up with the commentator who has been calling me the most reactionary member of the Senate," he said. "He whistled down his nose at me like a sheep. I said to him:

"Don't do that, Bub. Hell, I'm not a reactionary. I'm just puzzled. I'm not quite sure whether I've overstayed my time or I am a pioneer thinker."

Henry couldn't do it now

HE OBSERVED that, if the Federal Communications Commission would let down the bars, something like 200,000 walkie-talkie sets would be in service. Maybe



not at once, but approximately pronto. He thinks that only those who have a real use for

them would carry a walkie-talkie right now, weight and practicable range being considered.

"But for those who do need them walkie-talkies are like a wooden leg to a gimpy."

The FCC has banned them until it can work out some kind of a licensing system. He can understand the FCC's point of view. When he gets stuck on a crossword puzzle he just tears up the newspaper. But he's glad that Henry Ford wasn't hampered that way.

A great day is coming

HE CAN dimly see a wonderful new era opening up. Or maybe it's his

liver. The FCC's own figures anticipate that 150 railroads will be equipped with radio service, train to train, train to dispatcher, mother to the baby's nurse.

There are to be two-way services for taxis in 200 cities and in 50,000 planes.

The FCC thinks it should police all of them.

"There," he said, "will be a federal bureau that will really be somep'n."

He asked a radio authority what the radio industry thought of all this. The authority is not in the Government. He merely knows his onions. The government authorities, he said, have been talking so much out of both sides of their mouths that he is beginning not to know what it is all about. One authority told him that the sending of millions of pounds of choice cuts of canned pork to Russia was an outrage.

The authority had facts and figures like nobody's business.

"All this is off the record, Senator. Any moment I might have to go on the air for the other side."

They're scared juiceless

HE ASKED the radio authority—the independent one—what the radio business thinks. Public broadcasting is now being monitored to a fare-ye-well:

"Not to speak," said the Senator, "of the hearty mothering the FCC gives the industry whenever it is threatened by an attack of enterprise. You'd think it was the FCC's own money the industry wants to spend."

The authority said the radio business was afraid to talk back. The FCC could, if it wanted to bear down, put any broadcasting station off the air on some charge, and stations are worth lots of money. Such action might not be strictly legal, but it would not be strictly illegal either.

It made him think of the story of the old lady who wanted one canary but the salesman sold her two. He said Petrillo had not yet defined his position on canaries.

A philosophical reflection

ANOTHER SENATOR—not the one previously quoted—said he was happy to realize that his early prejudices have come back to him. He enjoyed a brief period of enlightenment, he said, during which he looked at anyone who owned his own home as a foe of the common weal. Then he began to notice that some of his associate crusaders had funny little ways.



"I know that some Senators have had their files entered and important documents stolen recently and some of them have had their telephone wires tapped."

That kind of thing, he said, to his knowledge happened for the first time under the administration of President Wilson. He was a fine and honorable and honest man, but there were angry do-gooders under him. The business of breaking a law the people did not like became a great industry under President Harding, but no Senator complained that his mail had been opened. No skulduggery was reported under Coolidge or Hoover, both sternly conservative. Senator Black—now associate justice of the Supreme Court—in Roosevelt's time seized telegrams in company files. Harry Truman, he said, would be sore as a pup if he knew some of the things that are going on. But—shucks—what could he do about it?

This is fisherman's luck

ON THE WALL of Comptroller General Warren's private office is a large framed photograph, which displays a somewhat younger Warren sitting in a boat, practically engulfed in other sportsmen and fish about the size of the prize pigs at a county fair;

"In those days," mourns Mr. Warren, "I could throw 'em back if they were too small."

Maybe the simile is intricate, but the Comptroller General is thinking of the government corporations on his hook. In 16 years as a congressman he worked up a fine passion over the manner in which the corporations, departments and bureaus snooted Congress. They took the position that they had had the money, that they had spent it, and what was Congress going to do about it? So Warren found himself in a 15 year non-reversible job, at a fine salary, in an office about the size of a cow pasture, and at the

head of a staff so competent and energetic that he marvels more each day.

He can't throw 'em back

HE IS trying to audit the accounts of the RFC, which has lent more money—and has more money yet



to loan—than any other lending organization in the world. His best men tell him they cannot find out what has been going on.

The heads of the almost innumerable companies in, related to, associated with, or borrowing from the RFC seem to have been permitted to conduct their affairs with no particular reference to their wealthy parent. The fish is too big to throw back and Warren is having trouble getting it in the boat. The U. S. Maritime Commission has not yet straightened out its accounts. A company was organized on the cuff. It had no offices or factories and only borrowed capital. It did millions of dollars worth of business. So many interlocking companies were discovered in it that the inquiry might run on until the last man is dead.

Also Mr. Warren is netting more little fish than there are in the Potomac River. But he cannot throw them back, either.

What's funny about this?

A \$9,000,000,000 appropriations bill was accepted item by item by voice votes. One Senator hurrying in met another hurrying out;

"S all over," said the Senator. "Nine billion dollars. Gosh."

"For what?" asked the second Senator.

"Well, the first \$4,000,000,000 are pretty clear. I don't know what the other \$5,000,000,000 are for. None of us do."

Temper in the Throne Room

IN THE MORE or less inner circles it is noted with regret that the presidential temper has become saw-toothed and rapid lately. He snaps at his associates—pardon the crudity—like a barracuda;

"I'm bleeding from every leg," said one, moodily.

It is admitted that what with Senator Taft rocking him with political-economic missiles and Democratic leaders in Congress showing faces of doom Mr. Truman's urge to do a little biting is understandable.

The question bothering his asso-

ciates is whether the current *furor Trumanicus* is merely a passing affliction, like strawberry rash, or whether he has suddenly broadened his conception of his honors and authorities. Note: They wish Judge Rosenman would join the Mexican League.

Readying for next war

SOME of the scientists studying up for the next war are as matter-of-fact as the man who stands behind a roulette table and rakes in your chips.

They have been studying the latest type German submarines which did not get into action because our air force blasted German communications;

"They can travel under water faster than any of our surface warships. The only limit to the length of their voyages is that of human endurance. They could stay submerged for a year if that were desirable. Rockets fired from their decks could destroy any seacoast city."

This is only a hint of the fun to come. These scientists think that every nation will have an ace in its sleeve when the next war comes. "No reason why not. We all know enough to go on with. The death horizon is expanding."

Truman's wrecking crew

THE RAILBIRDS say that President Truman has made up his team for the months to come. Hannegan will hold on as party chairman. He has given good advice on the whole. Much of it was not taken but it is belatedly recognized. He wanted President Truman to take up the labor issue months ago and the President ducked it.



Agriculture Secretary Anderson is believed to have consolidated his position.

J. Monroe Johnson's scrappiness is liked, Mr. Johnson being on the President's side.

Mr. Truman relies on John W. Snyder, more especially as some of those who tried to undercut Snyder have been found with their hands in the henhouse.

John Steelman is working out a permanent labor policy. Byrnes and Vinson are the wheelhorses of the team.

Others pop in and out, but these men are listened to. Vinson will continue to judge politics from the High Bench.



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